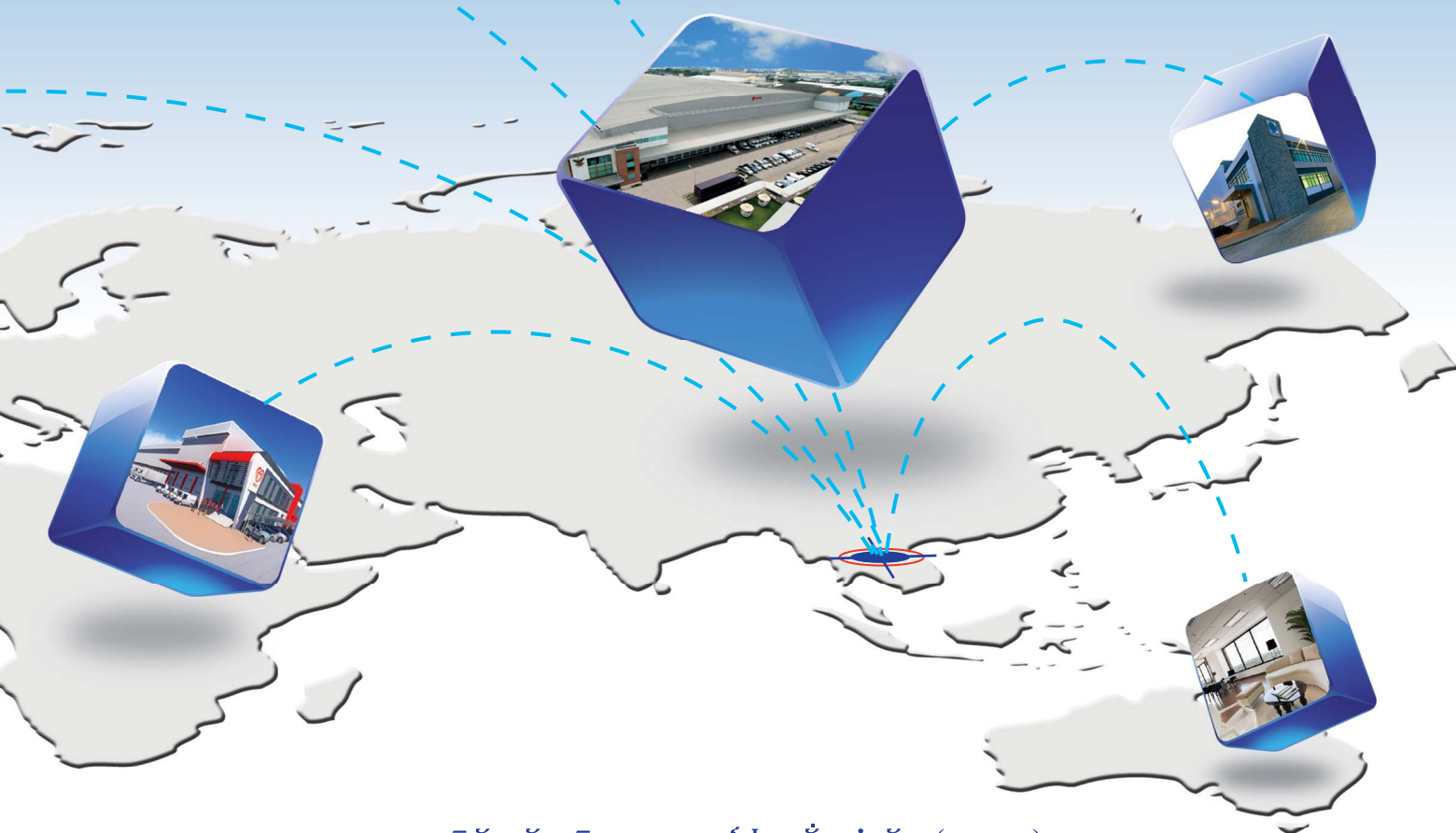


WHA

Warehouse Asia

รายงานประจำปี 2557

ANNUAL REPORT 2014



บริษัท ดับบลิวเอชเอ คอร์ปอเรชั่น จำกัด (มหาชน)
WHA CORPORATION PUBLIC COMPANY LIMITED

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Message from the Chairman

2014 is regarded as the year that WHA Corporation Public Company Limited has reached significant growth in business after WHA, a built to suit leader in warehouses, distribution centers and premium factories has entered into logistics market in Thailand 11 years ago and gained recognition from leading multi-national companies and large Thai Conglomerates which helped lower their operations and logistic costs resulting in significant reduction in logistic costs per GDP. From now on, the company is ready to grow further and expand its business from a leading built-to-suit warehouses, distribution centers, and premium factories into the related business. To do so, on 24 December 2014, WHA entered into the share purchase agreement with major shareholders of Hemaraj Land and Development Public Company Limited (“Hemaraj”) and declared its intent to acquire at least 50% of the Hemaraj shares. This is considered a key milestone that will enable the Company to provide total solution services to leading multi-national customers to facilitate their investment through upward integration via industrial estate business and to correspond with the official inauguration of the Asean Economic Community or AEC in early 2016. Hence, WHA will be well-equipped to render our services to leading customers who are planning to grow their investment particularly in ASEAN region regardless of industrial estate, warehouse, or distribution center depending on customers’ requirement, together with Hemaraj, who is recognized as the true leader in industrial estate business under the professional management for more than 26 years. Hemaraj has provided services to more than 600 customers operating in various industries that are essential to Thailand, such as automobile, petrochemical, energy, power, and steel.

Another key aspect that makes the Company envisage the potential of Hemaraj is its sound and stable income that corresponds with the Company’s business policy that aims at sustainable recurring income growth and pursuing one-stop services. The Company focuses on creating stable cash flow via Hemaraj from its water utilities and electricity supply to customers in the industrial estate and those who lease factories in the industrial estate, for the security of business continuity. WHA determined to increase the power capacity not only through the Solar Roof Top business in which WHA has possessed the licensed installed power capacity approximately 4 MW compared to more than 100 MW roof capacity on hand but also the investment in power business via Hemaraj with reputable partners i.e. Glow Energy, Gulf Power, and B. Grimm Group who are ready to grow together with the industrial estate business. In addition, WHA also put an emphasis on renewable energy to correspond with the government policy.

The Company envisages that the 2015 economy will regain support from both the government and private sectors in the joint effort to revitalize the economy so as to achieve sustainable growth. It is ready to be a part that helps customers lower operating costs, such as storage, and logistic costs. This corresponds with leading multi-national companies that view Thailand and its neighboring countries as one economy through AEC and investment expansion into infrastructure to enable customers to transport goods freely while enjoying more cost savings, regardless of where their manufacturing plants are located. Currently, the Company is trusted and awarded a project by a customer to build a distribution center in Indonesia, the first overseas project. WHA still retains the built-to-suit concept of the one-stop services regardless of where the location is the countries in this region that the customer will invest. With upward integration in the industrial estate the Company is truly confident that it will be able to respond to customer needs in a more flexible manner with total solution concept.

Financial engineering is also the Company’s top priority as it helps in lowering financial costs. The Company believes that we and our business partners will mutually benefit from cost savings. In 2014, the WHA Premium Growth Freehold & Leasehold Real Estate Investment Trust (WHART) was set up. It is the first industrial and logistics Real Estate Investment Trust listed on the Stock Exchange of Thailand, demonstrating the Company as a leader in financial innovation along with WHA’s business growth.

Finally, I would like to extend my gratitude to all the shareholders, business partners and all stakeholders who have always trusted and supported the Company. I hope that we will walk and grow together in the long term in pursuit of our business slogan, “Better Together Better to Greatest”.



Dr. Somyos Anantaprayoon
Chairman and Chief
Executive Officer



Report of the Audit Committee

TO THE SHAREHOLDERS :

The Audit Committee comprises the 4 honorable and independent members, namely Dr.Pichi Akrathit, the Chairman of the Audit Committee, Dr.Apichai Boontherawara, Dr.Kritsana Sukboontasatit and Dr.Somsak Pratomrimek, the members of Audit Committee. The Audit Committee has sufficient knowledge and experience in reviewing the reliability of financial statements.

In 2014, there were 6 Audit Committee meetings. All the members attended every meeting, except an audit committee member who absented by 1 time. The Audit Committee consulted with the Chairman, the Directors, the Management, the auditor, and the Internal Auditor in many occasions as appropriate, and gave independent opinion and suggestion. The Audit Committee reported its resolution of the 10 meetings as concluded as follows:

Accuracy, Completeness and Reliability of Financial Report

The Audit Committee reviewed both quarterly and annual financial statements, significant accounting policy, and sufficiency of information disclosure, including considered jointly with the Management and the auditor. The Audit Committee viewed that the Company's financial statements was prepared in compliance with the generally accepted accounting principles, accurate, relevance with the decision, complete, and reliable, as well as the accounting policies were properly selected to reflect the Company's operating performance and the financial position.

The adequacy of internal controls, risk management and good corporate governance

The Audit Committee reviewed the reports of the internal audit and the auditor on the evaluation of the internal controls, risk management and good corporate governance, including gave comments on improvement of the operations as a result of the said reports. The Audit Committee viewed that the Company's internal controls were adequate and appropriate to the situation as well as at the level of supporting the secured growth of the business.

The Audit Committee reviewed the annual internal auditing program which was prepared in accordance with the Risk-Based Audit Plan that focused on auditing to identify the high impact risk in the business operations, as well as gave helpful suggestions to manage the risk at the acceptable level. The Audit Committee always consulted with the internal auditor without the management, and viewed that the internal audit was independent and appropriate.

Compliance with the law governing securities and exchange, regulations of the Stock Exchange of Thailand, and laws related to the Company's business

The Audit Committee reviewed the compliance with the law governing securities and exchange, regulations of the Stock Exchange of Thailand, and laws related to real estate business which is the Company's core business, as well as evaluated the Management's compliance with legal requirements on a regular basis. The Audit Committee viewed that the Company were in compliance with the law governing securities and exchange, regulations of the Stock Exchange of Thailand, and laws related to the Company's business properly.

Transactions which may cause conflict of interests

The Audit Committee paid significant attention on considering the transactions that might cause conflict of interest in order to comply with the regulations of the Stock Exchange of Thailand, as well as the relevant accounting standard in every quarter. The Audit Committee assigned the internal audit to review the compliance and reported to the Audit Committee, including evaluated the connected transactions as disclosed in the auditor's notes in the financial statements in every quarter. The Audit Committee had the opinion that the connected transactions considered were the transactions in normal business having commercially ordinary conditions that were reasonable, fair and of optimized benefit to the Company.

Appropriateness, selection, and appointment of the auditor

The Audit Committee evaluated the independence and performance of the auditor for the year 2014 and it concluded that its performance in overall was at the satisfied level with sufficient independence. On selection and appointment of the audit for 2015, after comparing the audit fee with the previous year, the Audit Committee considered the performance, scope of service, and volume of transactions compared with the audit fee in 2015 proposed by the auditor, and agreed to propose to the Board of Directors to appoint PricewaterhouseCoopers ABAS Ltd to be the auditor of the Company and its subsidiaries for 2015, with the audit fee at the total amount of Baht 3,820,000.

Overall opinion and remark of the Audit Committee

The Audit Committee evaluated its performance by evaluating the committee as a whole in 2014 in 2 parts: 1) the overall performance of the Audit Committee, and 2) the specific performance of the Audit Committee in the 6 areas: 1) reviewing for the completeness and sufficiency of the Company's financial report; 2) reviewing for efficiency and effectiveness of the Company's internal controls and Internal audit; 3) reviewing for the Company's compliance with the law governing securities and exchange, regulations of the Stock Exchange of Thailand, and relevant law; 4) selecting and proposing to appoint the auditor; 5) considering the connected transactions; and 6) preparing the report of the Audit Committee. The Audit Committee viewed in overall that it performed sufficiently and completely.



Dr.Pichit Akkrathit

Chairman of the Audit Committee

Board of Directors

Dr. Somyos Anantaprayoon

Chairman
and Chief Executive Officer



Mrs. Jareeporn Anantaprayoon

Director,
Managing Director,
and Acting Head of Business
Development Division



Mr. Surathian Chakthranont

Director



Mr. Attavit Chalernsaphayakorn

Director
and Chief Financial Officer



Mr. Jakrit Chaisanit

Director and Head
of Construction Management



Mr. Somsak Boonchoyruengchai

Director, Head of Accounting
division, and Acting Head of
Operation Solutions Division





Mr. Narong Kritchanhai

Director



Dr. Pichit Akrathit

Independent Director
and Chairman of
the Audit Committee



Dr. Apichai Boontharawara

Independent Director
and Member of the
Audit Committee



Dr. Somsak Pratomsrimek

Independent Director
and Member of the
Audit Committee



Dr. Kritsana Sukboonyasatit

Independent Director
and Member of the
Audit Committee

Project Locations

1 Outer Eastern Bangkok Zone

Bangna-Trad Rd., Km.18-23
Ladkrabang / Phanthong, Chonburi
- Convenient access to the City Center of Bangkok, Suvarnabhumi Airport and Laemchabang Seaport



WHA Mega Logistics Center Bangna Km.19



WHA Mega Logistics Center Ladkrabang



WHA Mega Logistics Center Chonlaphamphichit Km.5

3 Industrial Estate Zone

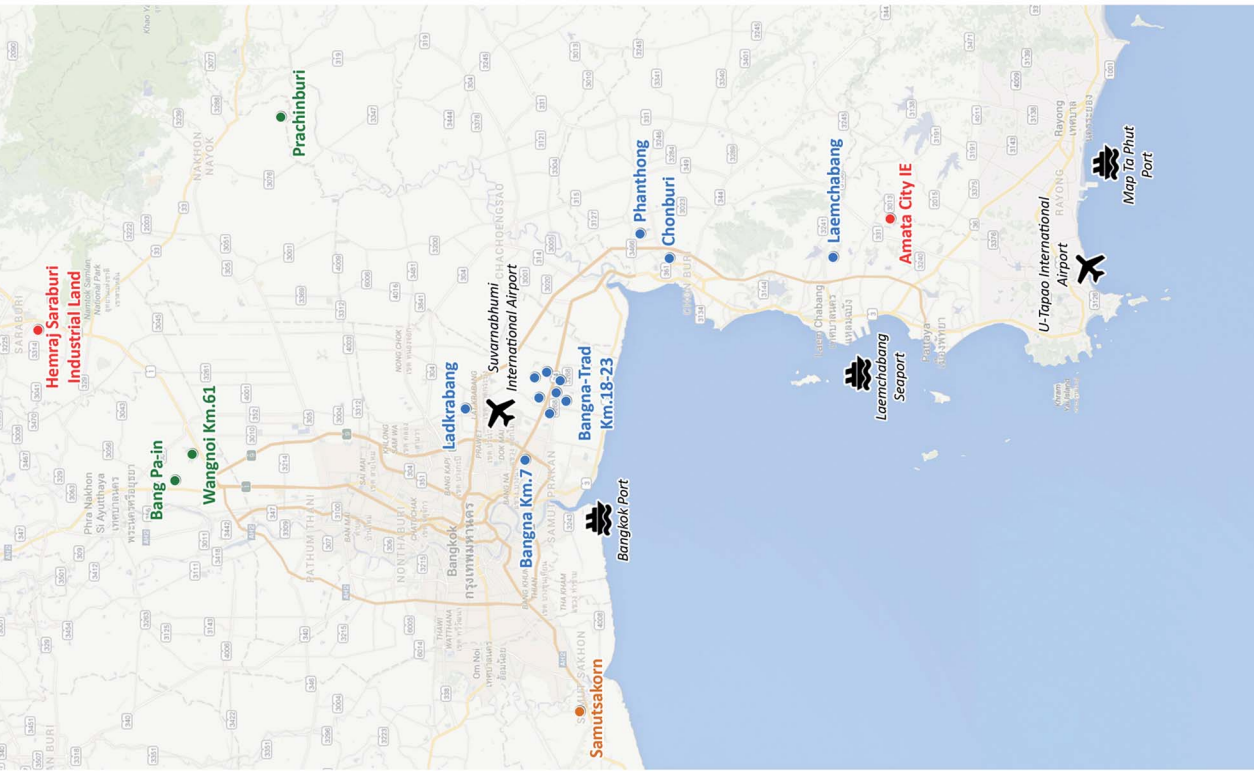
Hemraj Saraburi Industrial Land
Amata City, Rayong
- Tax privileges from BOI
- Convenient access to Suvarnabhumi Airport and Laemchabang Seaport



Amata City IE, Rayong



Amata City IE, Rayong



2 Outer Northern Bangkok Zone

Bang Pa-in, Ayutthaya
Wangnoi, Ayutthaya
- Logistics hub to North and Northeast region of Thailand



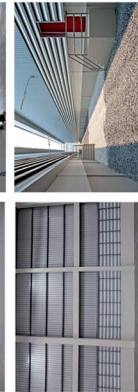
WHA Mega Logistics Center Wangnoi Km.61

4 Outer Southern Bangkok Zone

Rama II, Samutsakorn
- Logistics hub for Cold Storages to South region of Thailand

5 Up-Country Zone

Khonkaen / Surathani / Lumpoon
- To serve client's business expansion in every region.



WHA Mega Logistics Center - Premium Warehouse Spec.

Financial Highlights

Unit : Baht mn

Details	20 14	20 13	20 12
	(Consolidated Statement)	(Consolidated Statement)	(Consolidated Statement)
Rental and service income	551	500.50	359.93
Income from sales of investment properties	4,337	6,584.95	1,808.85
Total revenue	5,058	7,168.97	2,213.43
Cost of investment properties	3,050	4,961.78	1,617.10
Cost of rental and service	219	178.99	126.00
Administrative expenses	283	131.76	68.06
Net profit from normal operations (Profit attributable to owners of the parent)	979	1,463.46	212.42
Assets	15,952	11,048.86	8,297.51
Liabilities	11,472	6,895.06	5,410.45
Shareholders' equity	4,480	4,153.80	2,887.06
Dividend per share (Baht)	N/A	1.31	0.32
Return on Equity	22.67%	41.57%	11.20%
Return on Assets	16.26%	31.47%	8.92%



Company's Track Record of Growth

Unit: Sqm

Developed/
developing &
Occupied
area for
2006-2014

- Area Completed
- Area Available for Lease
- Area Pre-Leased
- Area sold to WHAPF/WHART
- Land Held for Future Development

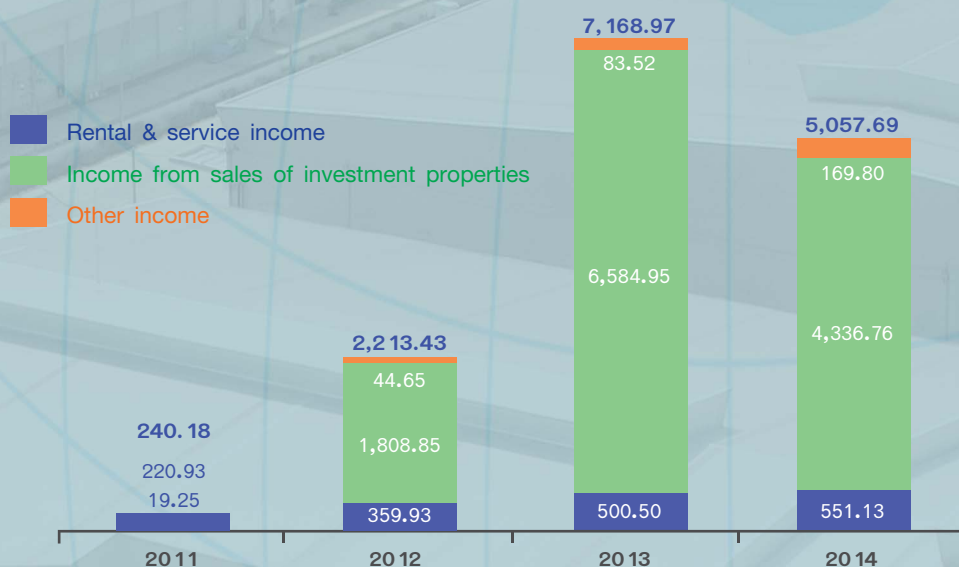


Customer Lists



Revenue Structure

Unit : Baht mm





Vision

Be recognized as a market leader in aligning vertical integrated logistics facilities provider with quality capturing throughout value chain in the region.

Mission

- ▷ Fulfil requirement of the key major business partners, shareholders and stakeholders
- ▷ Inorganic strategic initiatives to enhance shareholders value
- ▷ Create a last-long term relationship with strategic alliance
- ▷ Provide unrivalled quality products with knowledge and expertise leading to win-win solution
- ▷ Maintain financial discipline to maximize return on equity
- ▷ Enhance organizational core competency and good governance

Policy and Overall Business Description



1. Policy and Overall Business Description

1.1 Vision, Mission and Goal of the Group of Companies on Business Operation

Vision

Be recognized as a market leader in aligning vertical integrated logistics facilities provider with quality capturing throughout value chain in the region.

Mission

1. Fulfil requirement of the key major business partners, shareholders and stakeholders
2. Inorganic strategic initiatives to enhance shareholders value
3. Create a last-long term relationship with strategic alliance
4. Provide unrivalled quality products with knowledge and expertise leading to win-win solution
5. Maintain financial discipline to maximize return on equity
6. Enhance organizational core competency and good governance

Business Goal

The Company has the following business goal.

1. To fulfil requirement of the key major business partners, shareholders and stakeholders

The Group of Companies has strong intention to become the leader in Thailand as a premium developer of the projects to be responsive to specific and complicated requirements of each customer, where the products and services in the market could not respond to customers' requirement in this segment (Built-to-Suit) in parallel with development of Warehouse Farm project which provides both Built-to-Suit to serve specific needs of certain group of customers; e.g. reservation of premise for future expansion and General Warehouse to serve new customer base. Warehouse Farm concept increases the portion of short-term lease, encourages the Group of Companies to expand the customer base into various groups and results in the market responsiveness.

In addition to provide total solution to the customers, the Group of Companies also emphasizes in the efficient management and development of organization and long-term and sustainable growth in order to optimize the benefit and return of the shareholders and stakeholders.

2. To initiate and innovate the strategic initiatives to differentiate and enhance shareholders' value

The Group of Companies realizes that the logistics cost in Thailand is still relatively high compared with those in the developed countries. In order to reduce the tenants' logistics costs properly and to enhance the tenants' competitive capability, the Group of Companies initiated the development of premium warehouse, distribution center and factory which is different from the traditional warehouse; i.e. the warehouse is of high quality and durable structure with long-life use and a few defective problems. Besides, the Group of Companies realizes significance of the floor. Our building floor is flatter and stronger than other typical warehouses which could enhance the tenants' efficiency and competitive capability.

In order that the organization grows continuously and firmly as well as provides the shareholders with long-term added value, the Group of Companies set its business strategy and goal clearly. The Group of Companies focuses on continuous study and development pursuant to the concept of development of organization to become the knowledge organization by giving an opportunity to personnel of the Group of Companies to develop and expand their capability continuously.

3. To create a last-long term relationship with strategic alliance

The Group of Companies closely works with customers as a good business partner in order to truly know the requirement of customers in each group in both of the building specifications and location of the projects and to ensure the customers to operate in the most efficient manner. The Group of Companies jointly plans to procure the land and overall design to serve the customers' expansion of works in the future.

The Group of Companies has strong intention to create and maintain a long-term relationship with customers by studying the sophisticated requirements of customers evidenced by the magnitude of the precedence that the leasable area was up to 10,000–70,000 sq.m. which reflects the trust given to the Group of Companies and the customers' need to continuously expand their leased premises with the Group of Companies. The Group of Companies aims to maintain international standard of developing the quality products and services. In addition, the Group of Companies has the plan to expand the customer base to other customers, among others, leading Thai companies which require Built-to-Suit factory and warehouse in high quality, or multi-national customers who undertake business in various industries in order for us to diversify the risk on reliance on any group of tenants.

4. To provide unrivalled quality products with knowledge and expertise leading to win-win solution

Apart from developing warehouse, distribution center and factory with the standard and quality different from the traditional warehouses, the Group of Companies focuses on the customers' requirement by conducting thorough study and innovations which are implemented to create the mutual benefits to both customers and the Company which ultimately maximizes the shareholders' return.

The Group of Companies has strong intention to study and develop to achieve ultimate goal in developing modern projects of international quality with capability to provide full services in response to the customers' logistics requirements in distribution center and factories. Moreover, the Group of Companies has the intention to continuously develop the quality of the projects to be in line with the international standard to meet and satisfy the customers. The Group of Companies focuses on finding solutions for customers in logistics management through long past knowledge and expertise, as well as building sustainable relationships with customers.

5. **To maintain financial discipline while maximizing return on equity**

The Group of Companies focuses on seeking the source of fund at low cost to maximize the return to the Company and shareholders. The Group of Companies also pays attention to financial innovation at low risk and applicable to the Group of Companies. Meanwhile, the Group of Companies has a policy to strictly maintain and control financial ratio at an appropriate level so that it is acceptable to financial institutions, partners, shareholders and stakeholders.

6. **To enhance organizational core competency and good governance**

The Group of Companies realizes the significance and benefit of a good corporate governance for both Company and stakeholders; e.g. shareholders, partners, customers, lenders, employees and community. The Group of Companies adheres to and complies with the good governance to create the fair administration, management and supervision of the transactions and good long-term management.

2 History and Key Developments

2003	<ul style="list-style-type: none">• The group of major shareholders together with Ms. Jitt Anantaprayoon incorporated WHA Alliance Co., Ltd. On February 28, 2003 with the registered capital of Baht 180 mn (paid-up capital of Baht 1 mn—fully paid up in 2004). The major shareholders and group of Ms. Jitt Anantaprayoon equally hold shares at 50.0% ratio.• WHA Alliance Co., Ltd. initiated the concept on development of the Built-to-Suit project for development of modern warehouses and distribution centers which satisfies the specific requirements of tenants.
2006	<ul style="list-style-type: none">• The group of major shareholders and group of Ms. Jitt Anantaprayoon incorporated Warehouse Asia Alliance Co., Ltd. on June 14, 2006 with the initial capital of Baht 310 mn (paid-up capital of Baht 310 mn). The group of major shareholders holds 50% of shares in Warehouse Asia Alliance Co., Ltd.• WHA Alliance Co., Ltd. started its construction on distribution center project with 52,913.3 sq.m. area on Bangna-Trad Road, KM 20 which was the first project to undertake the business in response to the specific requirement of customers.• Warehouse Asia Alliance Co., Ltd. commenced construction of air-conditioned distribution center with 52,706.8 sq.m. areas under one roof to keep medical products on Bangna-Trad Road, KM 19 which was the biggest and most modern air-conditioned distribution center in Thailand.
2007	<ul style="list-style-type: none">• In February, WHA Alliance Co., Ltd. increased its registered capital to Baht 260 mn (paid-up capital of Baht 180 mn).• CWT Co., Ltd. (formerly, CWT Distribution Co., Ltd.) who provides logistics services in Singapore entered into joint venture with WHA Alliance Co., Ltd. at the ratio of 25% for 6,500,000 shares at Baht 10 par value in the total amount of Baht 65 mn while each of the group of major shareholders and group of Ms. Jitt Anantaprayoon increased the capital of Baht 7.5 mn for 750,000 shares. The shareholding ratio of the group of major shareholders and Ms. Jitt Anantaprayoon in WHA Alliance, therefore, decreased to the same 37.5%.• WHA Alliance Co., Ltd. changed the name to WHA CWT Alliance Co., Ltd.• In March, a subsidiary of Glomac Berhad, a group of reputable real estate developer of residential and commercial areas in Malaysia holds 15,190,000 shares, representing 49.0% of shares in Warehouse Asia Alliance by purchase of shares from the group of major shareholders and group of Ms. Jitt Anantaprayoon at Baht 10 per share in the total amount of Baht 152 mn. The group of major shareholders, therefore, holds shares in Warehouse Asia Alliance Co., Ltd. at 26% of shares.• Warehouse Asia Alliance Co., Ltd. changed its name to WHA Glomac Alliance Co., Ltd.• In September, WHA Corporation Co., Ltd. was incorporated with the registered capital of Baht 170 mn (paid-up capital of Baht 170 mn).

2010	<ul style="list-style-type: none"> • In May, the group of major shareholders and group of Ms. Jitt Anantaprayoon decided to purchase all of ordinary shares in WHA CTW Alliance Co., Ltd. from CTW Distribution Co., Ltd. in the amount of Baht 80 mn or Baht 12.3 per share for 6,500,000 shares. The shareholding ratio of the group of major shareholders and group of Ms. Jitt Anantaprayoon, therefore, are 50%. • The Company offered new product and service on Sale and Leaseback by investment in purchase and leaseback of warehouse buildings of more than 36,000 sq.m. in Bangpa-In Industrial Estate, Ayudhaya. • In December, WHA Premium Factory and Warehouse Fund* was established. The Company sold 2 warehouse buildings and 1 factory with lease space of 39,808.8 sq.m. at the value of Baht 1,283 mn to the Fund and the Company was appointed as the property manager.
2011	<ul style="list-style-type: none"> • In March, the Company purchased 13,000,000 ordinary shares of WHA CTW Alliance Co., Ltd. representing 50.0% from Ms. Jitt Anantaprayoon at Baht 5.9 per share (the book value as of December 31, 2010 is Baht 8.6 per share). The Company and the group of major shareholders therefore hold the same 50% and the Company has obtained the control over the business since the said time. • WHA CWT Alliance changed the name to WHA Alliance. • In September, the Company decided to purchase 15,190,000 shares, representing 49.0% of shares in WHA Glomac Alliance from group of Glomac Berhad at Baht 18.8 per share, and 7,750,000 shares representing 25.5% of shares from Ms. Jitt Anantaprayoon at Baht 15.9 per share (book value as of December 31, 2010 is Baht 10.6 per share), totaling 74.0% of registered capital. The Company became the major shareholder in WHA Glomac Alliance. The group of major shareholders still holds 26.0% of shares. The Company obtained control over the business since the said time. • WHA Glomac Alliance changed its name to Warehouse Asia Alliance Co., Ltd. • The Company initiated Warehouse Farm project, consisting of Built-to-Suit project and General Warehouse project. The first Warehouse Farm was located on 72,5000 sq.m. space on Bangna-Trad Road, KM 18 under the project name of WHA Mega Logistic Center Bangna-Trad KM.18. • In December, the Company increased the registered capital from Baht 170,000,000 to Baht 380,599,960 by offering for sale of 21,059,996 newly-issued shares at Baht 10 par value at the offer price of Baht 10 per share in the total amount of Baht 210,599,960. The Company has restructured its group of businesses and made the payment for newly-issued shares as follows. <ol style="list-style-type: none"> 1) To swap 8,059,998 shares of Warehouse Asia Alliance Co., Ltd. at Baht 10 in the total amount of Baht 80,599,980. The swap ratio for shares of Warehouse Asia Alliance is 1 to 1. 2) To swap 12,999,998 shares of WHA Alliance Co., Ltd. at Baht 10 in the total amount of Baht 129,999,980. The swap ratio for shares of WHA Alliance is 1 to 1. <p>At present, the Company holds 99.9% of paid-up registered capital of two companies. Purchase of shares in both companies was intended to enhance the efficiency in management and to prepare the readiness on initial public offering for shares to be listed on the Stock Exchange of Thailand.</p>
2012	<ul style="list-style-type: none"> • In February, the Fund effected the 1st capital increase in the amount of Baht 1,827 mn to purchase and take delivery of leasehold right of 3 warehouse projects and 1 factory project for the leased premises of 107,277.4 sq.m., and the Company was appointed as the property manager. • The shareholders' meeting of the Company no. 1/2012 held on April 20, 2012 approved the Company to proceed with the following. <ul style="list-style-type: none"> - The Company shall be converted to a public company limited under the name of WHA Corporation Public Company Limited. - The par value of Baht 10 shall be changed to Baht 1 par value. - The registered capital shall be increased for Baht 129,400,040 from Baht 380,599,960 registered capital to be new registered capital of Baht 510,000,000 by issuance of 129,400,040 new ordinary shares at Baht 1 par value for initial public offering.

- In January, the Fund effected the 2nd capital increase of approximately Baht 2,142 mn for purchase of assets and taking delivery of leasehold right of 3 warehouse projects with the leased premises of 69,529.28 sq.m. from the Company and Warehouse Asia Alliance Co., Ltd. The Company was appointed as the property manager.
- In April, the Company effected the registered capital for Baht 102 mn from Baht 510 mn to be Baht 612 mn to serve the stock dividend at the ratio of 5 existing shares to 1 new share.
- In August, the Company and Gunkul Engineering Public Company Limited incorporated 11 companies to invest in Solar PV Rooftop project. 74.99% of shares in all 11 companies is held by WHA Corporation Public Company Limited and 25.01% by Gunkul Engineering Public Company Limited. The joint venture companies filed an application with Metropolitan Electricity Authority and Provincial Electricity Authority for proposal to sell electricity to them, and it was selected as the operator for such Solar PV Rooftop for 5 companies with capability of 4.28 MW (details of which are shown in Section 2.1, Descriptions of Products and Services)
- In August, the Company decreased its registered capital in respect of the unpaid up shares of Baht 1,017 by deleting the authorized but unissued 1,017 shares which remained after the issuance of stock dividend pursuant to the resolution of the Annual General Meeting in 2013. After such capital decrease the Company had registered and paid up capital at Baht 611,998,983.
- In September, the Company increased its registered capital for Baht 305,999,491 from Baht 611,998,983 to be Baht 917,998,474 to serve the stock dividend at the ratio of 2 existing shares to 1 new share.
- In September, the Company offered the debentures to institutional investors and high net worth investors in the amount of Baht 2,700 mn divided into 3 tranches as detailed below:

Tranche	units	amount (Baht mn)	Fixed Interest rate (% per annum)	Term
1	1,630,000	1,630	4.24	3
2	500,000	500	4.55	4
3	570,000	570	4.84	5

- In October, the Company and group of KPN incorporated WHA KPN Alliance Co., Ltd. with the registered capital of Baht 1 mn and have the plan to increase the capital to be Baht 768 mn to develop the premium warehouse and distribution center project which is the Built-to-Suit and Warehouse Farm projects on Bangna-Trad Road, KM 23, Bangplee, Samut Prakan. 64.97% of shares in the joint venture company will be held by WHA Corporation Public Company Limited and 35.03% by Mr. Krit Narongdetch.
- In November, the Fund effected the 3rd capital increase of approximately Baht 4,056 mn for the purchase of assets and taking delivery of leasehold right for 5 warehouse projects and 1 movable asset at the total value of Baht 4,536 mn (including loan from institution at Baht 600 mn) with the leasable area of 173,366.79 sq.m. from the Company, Warehouse Asia Alliance Co., Ltd. and WHA Alliance Co., Ltd. The Company was appointed as the property manager.
- In December, the Fund held the Unitholders' Meeting to consider the 4th capital increase in additional investment comprising of 4 warehouse projects and 1 project modification in the amount of up to 4,590.0 mn. The agenda was approved by the Unitholders' Meeting and has 1 year validity period since the approval date.

- In February, the Company issued Baht 500 mn debentures No. 1/2014 for sale to institutional investors and high net worth investors, having a tenure of 3 years at a fixed rate of 4.01% per annum.

- In May, the Company issued Baht 1,810 mn debentures No. 2/2014 for sale to institutional investors and high net worth investors. The debentures were split into 2 sets. One was Baht 700 mn debentures having a tenure of 3 years, and the other was Baht 1,110 mn debentures having a tenure of 5 years as outlined in the below table.

No.	No. of units	Size (Baht mn)	Fixed Interest rate (per annum)	Tenure (year)
1	700,000	700	3.75	3
2	1,100,000	1,100	4.42	5

- In July, the Company issued Baht 1,700 mn debentures No. 3/2014 for sale to institutional investors and high net worth investors. The debentures were split into 4 tranches comprising Baht 435 mn, Baht 385 mn, Baht 600 mn and Baht 280 mn having a tenure of 3, 5, 7 and 10 years respectively as outlined in the below table.

No.	No. of units	Size (Baht mn)	Fixed Interest rate (per annum)	Tenure (year)
1	435,000	435	3.85	3
2	385,000	385	4.40	5
3	600,000	600	4.70	7
4	280,000	280	5.00	10

- In October, the Company issued Baht 200 mn debentures No. 4/2014 for sale to institutional investors and high net worth investors, having a tenure of 2.9 years at a fixed rate of 3.85% per annum.
- In November, the Company issued Baht 290 mn debentures No. 5/2014 for sale to institutional investors and high net worth investors, having a tenure of 4 years at a fixed rate of 4.00% per annum.
- In December, WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (“WHART”) was set up. The Company sold 11 warehouse buildings covering a total area of 167,107.45 square meters, valued at Baht 4,420 mn, to WHART for which WHA Real Estate Management Co., Ltd. (WHAREM), a subsidiary company, was appointed the REIT manager.
- In December, the Company entered into a share sale and purchase agreement (the “Share Sale and Purchase Agreement”) with Hemaraj’s major shareholders to purchase shares in Hemaraj Land and Development Public Co., Ltd. (“Hemaraj”).
- The Company declared its intent to voluntarily and conditionally take over Hemaraj’s securities. It arranged a voluntary tender offer to acquire the securities at Baht 4.50 (Four Baht and Fifty Satang) per share on the condition that it would cancel the tender offer if the number of the offered shares at the end of the offer period was less than 50 (fifty) percent of Hemaraj’s issued shares. The voluntary tender offer would take effect only if the following conditions have been satisfied.
 - (1) The conditions precedent specified in the Share Sale and Purchase Agreement to offer the shares in Hemaraj for sale at Baht 4.50 (Four Baht and Fifty Satang) per share by the major shareholders in the voluntary tender offer have been satisfied.
 - (2) The shareholders’ meeting approved the Company and/or subsidiaries to acquire Hemaraj’s shares as specified in the Share Sale and Purchase Agreement and the Company to proceed with the voluntary tender offer.
 - (3) The meeting of the Company’s shareholders approved the issue and offer of increased shares for sale to the existing shareholders (right offering) and the Company successfully issued and sold the shares and registered the capital increase. The Company anticipated that it would be able to issue new shares of approximately Baht 8,800,000,000.

- (4) The Company was approved credit facilities by financial institutions of amounts, when combining with the proceeds from the right offering, sufficient for acquiring all shares in Hemaraj under the voluntary tender offer. At present, the Company is negotiating with certain financial institutions.

* In 2011, the unitholders approved the change of fund manager of WHA Premium Factory and Warehouse Fund from MFC Asset Management Public Company Limited to Kasikorn Asset Management Co., Ltd. and the Fund's name was changed to WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund ("WHAPF").

3. Shareholding Structure of Group of Companies

As of December 31, 2014, the structure of the Group of Companies and subsidiaries is as follows.



Details of registered capital of WHA Gunkul Green Solar Roof are as follows.

Company	Registered Capital (Baht)	Paid-up Capital (Baht)
WHA Gunkul Green Solar Roof 1 Co., Ltd.	11,500,000	11,500,000
WHA Gunkul Green Solar Roof 2 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 3 Co., Ltd.	14,500,000	14,500,000
WHA Gunkul Green Solar Roof 4 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 5 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 6 Co., Ltd. .	14,500,000	14,500,000
WHA Gunkul Green Solar Roof 8 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 9 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 10 Co., Ltd.	15,500,000	3,875,000
WHA Gunkul Green Solar Roof 16 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 17 Co., Ltd.	16,000,000	16,000,000



Nature of Business

In the past, the Group of Companies developed Built-to-Suit Projects for rent, most of which were large projects and it now expands the development to General Warehouses under the Warehouse Farm Project in order to serve the unique and specific need for Built-to-Suit warehouses of certain groups of customers including the future overflow demands to serve their long-term expansion plan, and for General Warehouses to serve a new group of customers and to respond to immediate space to be responsive to market demand in a timely manner.

In 2014, to be in line with the Group of Companies' strategy that emphasizes the total solution concept to respond to customer needs in all areas, the Group of Companies focused on maximizing the benefit and use of land in Bangna-Trad area, one of the country's strategic locations for logistics and improvement of warehouse quality aiming at variety and sophisticated warehouses to meet the intended purposes of use and best suit the need of tenants, for instance, temperature controlled warehouses, both multi-temperature warehouses and cold storages. The rent per square meter for these kinds of warehouses are normally higher than the rent for Built-to-Suit warehouses with ambient temperature.

Moreover, the Group of Companies started a warehouse farm project on strategically chosen locations that would meet the logistics needs of all tenants. This resulted in its success in expanding the client base to new tenants in 2014, particularly major and recognized Thai tenants, such as Thailand Post Co., Ltd., Thai Beverage Public Co., Ltd. and Central Retail Corporation Co. Ltd.

In 2014, the Group of Companies developed a built-to-suit office building project on Bangna-Trad Road. This project is under construction. The Group believes that investment expansion to the lease of such type of property will contribute to sustainable growth of rental income to the Group in the long run. It is also a means to diversify risks. Furthermore, the Group of Companies acquired Equinox The Office Place, an office building, from Major Development Group and changed the name to SJ Infinite I Business Complex ("SJ Infinite I"). It consists of both office and retail spaces that will respond to the needs of the tenants in that area.

As for the Solar PV Rooftop business, the Company participated in a joint venture with Gunkul Engineering Public Co., Ltd. The joint venture was selected to be the seller of 4.28 megawatts of solar PV rooftop and 3.30 megawatts of it were sold in 2014.

In summary, the Group of Companies' business consists of the following two main segments:

- 1) Business of investment, development and property Management covering the following four sub-categories:
 - 1.1. Properties development for rental and service income
 - 1.2. Properties for Sale
 - 1.3. Investment and property management
 - 1.4. Real Estate Investment Trust management
- 2) Business of investment and development of Solar PV Rooftop

For the period from 2012 to 2014, WHA Corporation Public Company Limited's income structure of each business segment is as follows:

Revenue Structure	For the fiscal year ended					
	31 Dec 2012		31 Dec 2013		31 Dec 2014	
	(Consolidated Financial Statement)		(Consolidated Financial Statement)		(Consolidated Financial Statement)	
	Baht mn	%	Baht mn	%	Baht mn	%
Rental and service income	359.9	16.3	500.5	7.0	551.1	10.9
Income from sale of investment properties	1,808.9	81.7	6,585.0	91.9	4,336.8	85.8
Dividend income	32.3	1.5	56.7	0.8	98.2	1.9
Asset management income	6.1	0.2	10.1	0.1	15.4	0.3
Real Estate Investment Trust management income	0.0	0.0	0.0	0.0	33.1	0.7
Other income	6.3	0.3	16.7	0.2	23.1	0.5
Total income from normal operation	2,213.4	100.0	7,169.0	100.0	5,057.7	100.0
Profit (loss) sharing from investment in joint venture	0.0	0.0	(1.3)	(0.0)	(7.7)	(0.0)
Total income (after joint venture investment profit (loss) sharing)	2,213.4	100.0	7,167.7	100.0	5,050.0	100.0

Remark : 1) Other income means interest income, utilities income, and others.

2) From 2012 onwards, the Company adjusted the accounting entry method for sales of assets to the Fund by entering the entire amount as income from asset sale rather than recording only profit from asset sale as it was so recorded in 2010.

3) Other income consisted of income from management of the joint ventures, interest income, gain from asset sales, gain from short-term investment and others.

1. Business of Investment, Development and Management of Real Estate

1.1 Nature of Product or Service

1.1.1 Properties Development for Rental and Service Income

1.1.1.1 Built-to-Suit Project customized to customers' needs

The Group of Companies operates a business of development and built-to-suit projects for rent. Each project has different complexity to suit different needs of the business and the operation process of each tenant. These projects are based in strategic locations for logistics such as Bangna-Trad, Ladkrabang, Wang Noi, Bang Pa In, Saraburi or other industrial estates. The rental agreements are developed based on tenants' need and most are long-term agreements of between 10–15 years lease term. Tenants must provide a rental deposit in form of cash and/or a bank guarantee valued approximately 3–12 months of the annual rental fee. If tenants terminate the lease agreement before the end of the lease term, they must pay compensation of an amount equal to the lease fee for the remaining lease term to the Group of Companies.

A. Warehouse and distribution center

All projects of the Group of Companies are designed in accordance with the international standard which takes into consideration tenant's maximum utilization, for example, interior space designed to serve the maximum of the flow of goods, high clear height and wide entry/exit designed to allow quick loading and unloading, and product shelves having a flexible design and being adjustable to suit tenants' operation process of which enables fast arrangements/packing while reducing error. Furthermore, the projects under the Group of Companies are located in strategic locations for logistics to serve as a distribution center. The area of the projects ranges from 10,000 to 70,000 sq.m. Most projects are located either on the routes with easy access to Suvarnabhumi International Airport or Laem Chabang Port or on the routes with connection to main highways such as Bangna-Trad KM. 18–23 which is convenient for transportation of goods to Bangkok or for distribution to other regions of Thailand and other countries. This will help reduce the cost of transportation in a long run for tenants. In addition, as at the end of 2014, the Company holds property covering total areas of approximately 1,300 rai, of which 352 rai has been completed and fully constructed area, 147 rai is under construction and 801 rai is for further development. They are in prime strategic locations for logistics scattered throughout the country, for instance, on Bangna-Trad, Ladkrabang, Laemchabang, Panthong, Kabinburi, and Rama II roads as well as in up-country such as Khonkaen, Surathani, and Lumpoon to accommodate tenants' business expansion. In 2014, the Company still focused on improvement of warehouse quality aiming at more variety and sophisticated warehouses to meet the intended purposes of use and the need of tenants, for instance, temperature controlled warehouses, both multi-temperature warehouses and cold storages. An example of the past project is the air-conditioned distribution center of on Bangna-Trad KM. 3 leased to the major tenant, Unilever Thai Trading Co., Ltd. This project is used as a distribution center and storage of consumer products. It is designed in such a way that meets the criteria of Good Manufacturing Practice and equipped with air-conditioners to maintain the internal temperature between 18 degree

Celsius and the freezer temperature at -25 degree Celsius to enable the tenant to effectively control the product quality.

The Group of Companies successfully expanded the client base to cover new tenants in 2014, particularly major and recognized Thai tenants, such as Unilever Thai Trading Co., Ltd., Thailand Post Co., Ltd., Thai Beverage Co., Ltd. and Central Retail Corporation Co., Ltd.

B. Large Factory Building

The Group of Companies' team of engineering experts works closely with tenants' team in every step in design and construction of factory buildings to ensure that the factory buildings handed over to the customers suit the specific needs of tenants in all aspects. For example, the utilized area and the column layout provide clear access for the operation process. Strong construction materials used to support the weight of goods, machines and equipment. Roof design allows natural ventilation. Infrastructure such as electricity system, lighting system and waste management system are also designed as a Built-to-Suit and it is also in accordance with the industrial standard requirements. All projects developed by the Group of Companies are located in various industrial estates such as Amata City Industrial Estate in Rayong, Hemaraj Industrial Estate in Saraburi.

C. Office Building for Lease

To respond to the need of tenants who require office space, the Group of Companies developed a Built-to-Suit office building project on Bangna-Trad Road. This project is under construction. In July 2014, the Company acquired Equinox The Office Place, an office building, from Major Development Group and changed the name to SJ Infinite I Business Complex ("SJ Infinite I"). It is a new 30-floor office building on Paholyotin-Vibhavadee Road having a utility area of approximately 45,000 sq.m and leased area of proximately 21,200 sq.m. for both office and retail spaces. The Group believes that investment expansion to the lease of such type of property will contribute to sustainable growth of rental income in the long run and is a means to diversify risks for the Group.

Examples of Built-to-Suit Projects



Location: Bangna-Trad, Km.5
 Leasable area: 31,331.15 square meters
 By: The Company
 Type of Project: Distribution Center



Location: Bangna-Trad,
Km.3
Leasable area: 8,641.0
square meters
By: The Company
Type of Project: Distribution Center



Location: Wang Noi,
Ayutthaya
Leasable area: 15,364.0
square meters
By: The Company
Type of Project: Distribution Center

1.1.1.2 Warehouse Farm Projects

Since the Group of Companies anticipated the increased demand for lease of warehouse, distribution center and factory buildings, from 2011 onwards, the Group of Companies started developing a Warehouse Farm project under the name, Mega Logistics Center. The Warehouse Farm Project is a combination of premium quality Built-to-Suit and General Warehouse. Built-to-Suit within the Warehouse Farm ranges from 10,000.0 to 16,000.0 square meters while General Warehouse is smaller with a leasable area of approximately 3,000.0 to 5,000.0 square meters. Despite being smaller than Built-to-Suit in terms of leasable area, the Company's General Warehouse maintains the same building specifications and the standard of warehouse and factory of premium quality which is the Group of Companies' key business concept. The Company views that Warehouse Farm will help serve the existing customers in terms of their area expansions as well as broaden the customer base to new tenants who may only need a short-term lease which will potentially turn to be Built-to-Suit customers in the future.

The Group of Companies selects the location for development of the Warehouse Farm based on the needs of the existing customers and the anticipated demands. Most Built-to-Suit Projects' lease agreements are long-term lease of 10 years or over while General Warehouse lease agreements are short-term lease of 3 years on average with options for renewal in the same manner as Built-to-Suit Projects lease. As at the end of 2014, the Group of Companies had warehouse farm projects on various prime strategic locations, e.g. Bangna- Trad, Saraburi, Larkrabang and Wangnoi.

The Group of Companies also provides common facilities such as common electricity, security and safety, road maintenance and infrastructure system and the project facilities.

Examples of Warehouse Farm Projects



Location: Bangna-Trad
Km.5
Leasable area: 64,664.15
square meters
By: The Company
Type of Project: Warehouse farm



Location: Hemaraj Industrial
Estate, Saraburi
Leasable area: 71,462.0
square meters
By: The Company
Type of Project: Warehouse Farm

Examples of the Projects Qualifications

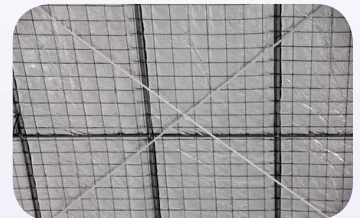
Seamless Metal Sheet Roof

The Company uses single metal sheet which reduces leakage between roof connections.



Thermal Insulation Roof

The micro fiber insulation is installed beneath roofing to create air gap which reduces inside temperature and helps maintain quality of goods.



Natural Ventilation System

Metal sheet louvers with bird screen around the building and high ceiling maximize wind flow within the projects.



Environmental Management Criteria

Basic structure of the projects such as distribution system, warehouse building and production factory are developed based on international standards, for example, buildings are designed to reduce accumulation of dust and dirt and to prevent termites and insects.



Burnished Floor Finish (Mirror Floor Finish)

Floor structure is made of premium-grade concrete that is stronger than normal concrete. In addition, the new technique called “Burnished Floor” is implemented to treat the surface of the floor to prevent scratches and abrasion due to heavy duty and minimize accumulation of dust and cracks.



Source: The Company’s website

Examples of Existing Tenants

Asia	Japan	Thai	Europe	USA

Source : The Company’s website

1.1.1.3 The Group of Companies’ projects investment and redevelopment/renovation for rent

A. Completed Projects

The Group of Companies plans to purchase completed construction assets to develop for rent. In this regard, the Group of Companies will make an appropriate offer for projects that are in good condition to develop for lease to interested customers (who may be existing customers). This will enable the Company to have more leasable area at a faster pace, reduce construction period and utilize the Company’s capabilities in design and renovation to respond to customers’ needs.

An example of the project that the Company acquired for further development is Equinox The Office Place, an office building, from Major Development Group and changed the name to SJ Infinite I Business Complex (“SJ Infinite I”). It is a new 30-floor office building on Phahonyothin-Vibhavadi Road having a utility area of approximately 45,000 sq.m. and leased area of proximately 21,200 sq.m. for both office and retail spaces. The Group believes that investment expansion to the lease of such type of property will not only help diversify risks but will also contribute to sustainable growth of rental income to the Group in the long run.

B. Partially Completed Projects

In addition to the completed projects, the Group of Companies also plans to buy land and partially completed projects for renovation and for development of undeveloped land for lease to other customers. This allows the Company to own lands on many strategic locations for logistics.

1.1.2 Properties for Sale

The Group of Companies has a clear policy to sell assets to the Fund or the Real Estate Investment Trust to be a source of funding for its future projects. However, selling assets to the Fund or the Real Estate Investment Trust must be approved by unitholders. The Company as a unitholder of the Fund and the Real Estate Investment Trust is not eligible to vote in this case. Furthermore, asset sale may depend on factors that are beyond the Group of Companies' control such as market condition that affects the ability of the Fund or the Real Estate Investment Trust to raise funds. The Group of Companies might consider the divestment of the assets to suit the capital need and the overall investment policy of the group.

The Group of Companies has a policy on selecting assets for sale to the Fund or the Real Estate Investment Trust such that the assets must be developed projects with a lease agreement and that they have already generated rental and service income. They must have full characteristics and are not contrary to the investment policy of the Fund and the Real Estate Investment Trust and/or the law and/or the related regulations. The Group of Companies considers the number and the sizes of projects to be sold to the Fund or the Real Estate Investment Trust on each occasion will be subject to consideration by the Company, taking into account the need of funds for new projects and profit expected from such sale.

In 2014, the Group of Companies set up a real estate investment trust, the first trust fund in Thailand, for property investment in the categories of industrial estates and logistics to enable it to continuously sell property and generate income sufficient for investment in new projects. In December 2014, the Company successfully sold properties to the real estate investment trust consisting of the three projects, namely, WHA Mega Logistics Center Bangna-Trad km. 18, WHA Mega Logistics Center Bangna-Trad km. 23 and the warehouse project in Lardkrabang, covering a total area of 167,107.45 sq.m. This enabled the Company to post income from sales of Baht 4,337 mn out of the total income of Baht 5,058 mn.

Moreover, the Group has a policy to sell developed projects to third parties, particularly current tenants of such particular projects as a mean to increase income to the Group.

1.1.3 Investment and Property Management

The Company has policy to invest in the real estate business through the Fund or Real Estate Investment Trust at no more than 15% of the total investment units to generate returns in the form of dividends annually on regular basis. However, the investment in the Fund or Real Estate Investment Trust is dependent on the funding need and the amount of funds raised from the sale of assets to the Fund at that time. Therefore, the investments in the Fund or Real Estate Investment Trust at a given time could be different from that specified in the investment policy. The Company did not have any control over or participate in formulating the policies of the Fund or Real Estate Investment Trust.

Moreover, the Company is appointed the Property Manager of the Fund or Real Estate Investment Trust. Therefore, the Company is able to generate regular income from the management of the Fund's or Real Estate Investment Trust's property in the near future.

1.1.4 Real Estate Investment Trust Management

The Company established WHA Real Estate Management Co., Ltd. as a subsidiary to undertake the business of management of Real Estate Investment Trust. This company will receive a fee for management of the Real Estate Investment Trust and fee for asset acquisition and disposal based on the asset value.

Overview of the Group of Companies and the Fund's and WHART's Projects
(Details of the completed project and the projects under development as at 31 December 2014)

Type of Buildings	Location	Details			Total leasable area (square meters)
		Construction Stage	Occupancy	Expected	
			Rate (%)	Completion Date with revenue Recognition	
<u>Projects of the Group of Companies</u>					
Warehouse and distribution center (under the plan for sale to the Trust ¹⁾)	Wang Noi District, Ayutthaya	Construction completed and income recognition has started.	100	–	61,203.0
Factory	Amata City, Rayong	Construction completed and income recognition has started.	100	–	9,399.4
Office building (partial)	Bangna–Trad KM.7	Projects under development	100	–	6,000.0
Warehouse and distribution center (under the plan for sale to the Fund ¹⁾)	Bangna–Trad KM.19	Construction completed and income recognition has started.	100	–	14,099.6
Warehouse and distribution center (partial)	Ladkrabang	Construction completed and income recognition has started.	100	–	30,425.0
Warehouse and distribution center (under the plan for sale to the Trust ¹⁾)	Saraburi	Construction completed and income recognition has started.	100	–	15,879.0
Warehouse and distribution center (partial) (under the plan for sale to the Trust ¹⁾)	Chonlaharnpichit Samut Prakarn KM.4	Construction completed and income recognition has started.	100	–	64,040.0
Warehouse and distribution center	Chonlaharnpichit Samut Prakarn KM.3	Construction completed and income recognition has started.	100	–	8,641.0
Warehouse and distribution center (partial)	Chonlaharnpichit Samut Prakarn KM.5	Construction completed and income recognition has started.	100	–	45,775.2
Warehouse and distribution center (partial) (under the plan for sale to the Trust ¹⁾)	Chonlaharnpichit Samut Prakarn KM.4	Construction completed	–	–	16,504.0
Warehouse and distribution center (partial)	Chonlaharnpichit Samut Prakarn KM.5	Construction completed	–	–	18,709.0

Type of Buildings	Location	Details			Total leasable area (square meters)
		Construction Stage	Occupancy Rate (%)	Expected Completion Date with revenue Recognition	
Warehouse and distribution center (partial)	Ladkrabang	Construction completed	–	–	7,022.0
Warehouse and distribution center (partial) (under the plan for sale to the Trust')	Saraburi	Construction completed	–	–	17,139.0
		Construction completed	–	–	3,785.0
Warehouse and distribution center	Ladkrabang	Projects under development	–	Quarter 3 2015	39,772.0
Warehouse and distribution center	Samutsakorn	Projects under development	–	Quarter 3 2015	14,088.0
Warehouse and distribution center	Chonlaphamphichit Samut Prakarn KM.3	Projects under development	–	Quarter 2 2015	15,389.0
Warehouse and distribution center	Chonburi	Projects under development	–	Quarter 3 2015	19,591.0
Total projects of the Company					407,461.16
Projects of the Fund or Trust					
Warehouse and distribution center	Don Hua Ro Sub-district Mueang District, Chonburi	Sold to the Fund	100	–	42,310.4
Factory	Amata City, Rayong	Sold to the Fund	100	–	14,320.8
Warehouse and distribution center	Bangna-Trad KM. 20	Lease right transferred and building sold to the Fund	100	–	63,827.4
Warehouse and distribution center	Bang Pa In District, Ayutthaya	Sold to the Fund	100	–	36,000.0
Factory	Amata City, Rayong	Sold to the Fund	100	–	7,450.0
Warehouse and distribution center	Bangna-Trad KM. 19	Sold to the Fund	100	–	52,706.8
Warehouse and distribution center	Bangna-Trad KM. 19	Transferred land sub- leasehold right and Sold to the Fund	100	–	57,399.4
Factory and Warehouse	Saraburi	Sold to the Fund	100	–	55,372.4
Factory	Amata City, Rayong	Sold to the Fund	100	–	12,835.0
Warehouse and distribution center	Bangna-Trad KM. 20	Sold to the Fund	100	–	9,195
Warehouse and distribution center	Pan Thong District, Chonburi	Sold to the Fund	100	–	38,565.0

Type of Buildings	Location	Details			Total leasable area (square meters)
		Construction Stage	Occupancy Rate (%)	Expected Completion Date with revenue Recognition	
Warehouse and distribution center	Bangna-Trad KM. 18	Sold to the Trust	100	–	72,179.1
Warehouse and distribution center	Bangna-Trad KM. 23	Sold to the Trust	100	–	59,835.0
Warehouse and distribution center	Lardkrabang	Sold to the Trust	100	–	35,093.0
Total Projects of the Fund					557,089.3
Grand Total					964,550.5

Remark : 1. The Company plans to sell the title to the land and warehouse building in the warehouse and distribution center project on Bangna-Trad Km.4, and the projects in Wangnoi and Saraburi to the Real Estate Investment Trust and the title to the land and warehouse building of the project on Bangna-Trad Km 19 to the Fund sometimes in late 2015.

2. 1 rai of land is approximately 1,000 square meters of leasable area

Future Projects (Land held for future development)

Regarding future projects, the Company has purchased land and lease right for construction of warehouses and distribution centers and factories in Bangkok, Ayutthaya, Saraburi, Samut Prakarn, Chonburi, Kabinburi, Surat Thani, Lamphun and Khon Kaen with a total area of 801 rai.

Privileges from the Board of Investment (BOI)

The Company receives promotion from the Board of Investment for the business of development of industrial factory and/or warehouse for two projects. The details and the material content of the privilege are as follows:

Certificate No.	Date of Approval	Product Name	Significant Privilege
1822(2)/2553	17 August 2010	Development of factory buildings and/or warehouse buildings	<p>1. The Company is exempt from corporate income tax on the net profit generated from the operation of the promoted business in a total of up to 100 percent of the investment fund, not including the cost of land and working capital for 8 years starting from the first date of generating income from such business operation. In the event of loss during the corporate income tax exempt period, the grantee of the BOI privileges period is allowed to carry forward the loss during the corporate income tax exempt period to be deducted from its net profit within 5 years after the end of such corporate income tax exempt period. In this regard, the grantee of the BOI privileges can choose to carry forward the loss to be deducted from the net profit of any particular year or for any collective period of years.</p> <p>2. The Company is entitled to exemption from including the dividends obtained from the operation of the promoted business in tax calculation throughout the tax exempt period.</p> <p>3. The Company is entitled to exemption of 50% percent of corporate income tax for the net profit generated from the operation of promoted business for a period of 5 years after the end of the period in Clause 1.</p>

Certificate No.	Date of Approval	Product Name	Significant Privilege
			<p>4. The Company is entitled to double the amount of the transportation fee, electricity fee, and water supply fee can be deducted from the tax base for a period of 10 years from the date on which the promoted business starts to generate income.</p> <p>5. The Company is entitled to deduct 25% of investment for the installation or the construction of facilities from the tax calculation in addition to the normal deduction for depreciation costs.</p>
1416(2)/2557	26 December 2013	Development of factory buildings and/or warehouse buildings	<p>1. The Company is exempt from corporate income tax exemption on the net profit generated from the operation of the promoted business in a total of up to 100 percent of the investment fund, not including the value of land and working capital for 7 years starting from the first date of generating income from such business operation. In the event of loss during the corporate income tax exempt period, the grantee of the BOI privileges period is allowed to carry forward the loss during the corporate income tax exempt period to be deducted from its net profit within 5 years after the end of such corporate income tax exempt period. In this regard, the grantee of the BOI privileges can choose to carry forward the loss to be deducted from the net profit of any particular year or for any collective period of years.</p> <p>2. The Company is entitled to exemption from including the dividends obtained from the operation of the promoted business in tax calculation throughout the tax exempt period.</p>

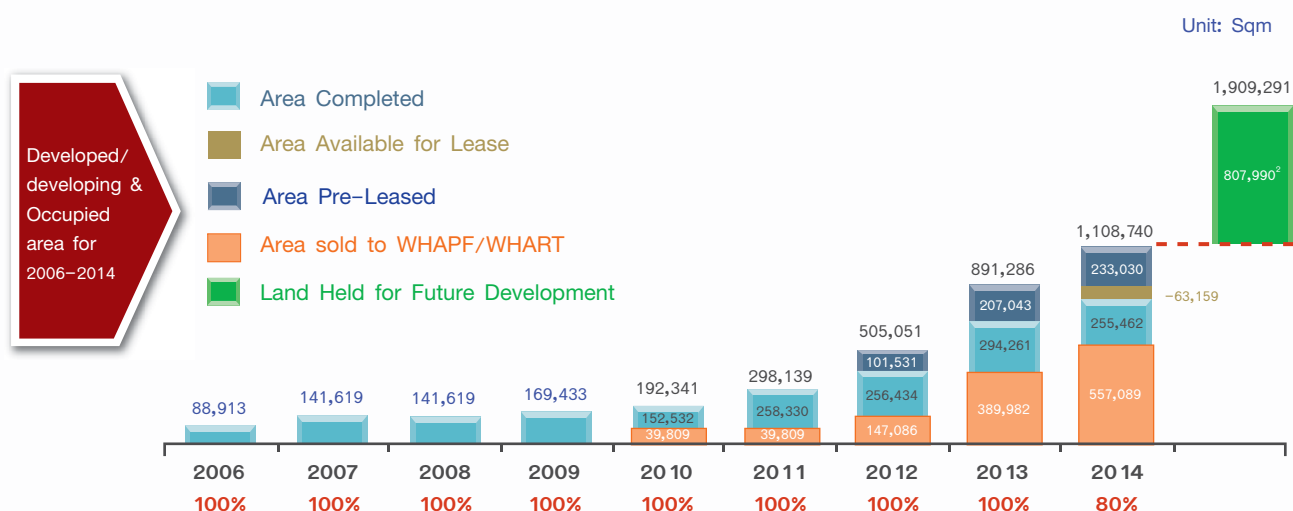
1.2 Marketing and Competition

1.2.1 Policy and key Features of the Products

Competition Strategy

The Group of Companies develops warehouse, distribution center and factory for rent which are customized to suit each tenant (Built-to-Suit) and Warehouse Farm Project which is a combination of General Warehouse and Built-to-Suit. The Group of Companies focuses on creating additional value for tenants in terms of logistics cost management by understanding the need and the specific business specification of the customers, developing customized projects, choosing suitable locations, handing over projects in timely manner with the appropriate rental rate. This enables tenants to have confidence that leasing a project from the Group of Companies will increase their logistic management efficiency. The Group of Companies also gains trust and frequently wins bidding for several projects as evidenced in the continuous growth of the leasable area under the Group of Companies' management at 37.08% p.a. during 2006 to the end of 2014*.

Growth of Completed/ Pre-Leased / Land Held for Future Development/ and Area under the Company's Management Sold to the Fund



* **Remark :** The average annual growth rate of 37.08% is determined from the areas of the properties under the Company's management. The size of the areas in 2006 was 88,913 sq.m., and that as of the end of 2014 was 1,108,740 sq.m. (inclusive the areas belonging to the Fund and the Trust). At the end of 2014, the Group of Companies has an area of 1,909,291 sq.m. based on the estimate of the areas under the management of the Group of Companies inclusive of, areas of land held for future development with and without tenants. The occupation rate was at 80%. As for the empty space, the Group of Companies is negotiating with tenants and waiting for execution of lease agreements. As the Group of Companies's warehouses are situated on prime strategic locations, it is confident that it will not be difficult to secure tenants.

In addition, the Group of Companies develops and expands leasable areas regularly for existing customers and new customers. The Group of Companies' strengths and strategies in the competition are as follows:

Product Strategy

1. **Built-to-Suit warehouses, distribution centers and factory customized to meet tenants' specific requirements to increase efficiency in logistic management**

Built-to-Suit warehouse, distribution center and factory buildings are designed and developed to suit the need of tenants. Tenants and the Group of Companies' team will work together in design and in-depth study of requirements and constraints in order to give advice and propose the project that matches the needs of the customers. Location and details specified by tenants will be addressed to ensure that the tenants have the projects that meet their specific need and international standard. The project specifications can cater to the complexity required by tenants and also take into consideration the overall utilization, for example, column positions, floor load capacity and clear height suitable for the business, number and position of doors, loading and unloading area and flatness and racks, floor level in comparison with truck height, infrastructure system, ventilation system and temperature control system. The Group of Companies' engineers and tenants' team will cooperate in all steps of the design so that the tenants are confident that the projects developed by the Group of Companies can truly respond to the need in management, storing, packing and distribution and production of goods at

appropriate and controllable costs. In 2014, the Group of Companies continued to focused on improvement of warehouse quality aiming at more variety and sophisticated warehouses to meet the intended purposes of use and best serve the need of certain tenants, for instance, temperature controlled warehouses, both multi-temperature warehouses and cold storages targeting tenants who require storages of consumer and pharmaceutical products.

2. High standard Ready-Built warehouses, distribution centers and factory (General Warehouse)

The Group of Companies has a plan and strategies to develop premium-quality General Warehouse to support the overflow demand in the existing customers' expansion of space and other customers. This is also a method to increase customer base to tenants who may need more leasable area and Built-to-Suit projects in the future. The Group of Companies selects suitable locations and develops projects to the international standard which makes all projects flexible for different logistics needs of tenants.

3. One-stop service

The Group of Companies is well-equipped with fund, experience and modern technology which allow the Group of Companies to provide comprehensive service. This includes logistics design, management and solution which cover all aspects such as construction project management, consultation and management of complex and specific logistics issues. With several years of experience as a property developer of the Group of Companies' executive team in a premium One-stop service and proven track record in comprehensive service to multinational companies that have more complicated need, the Group of Companies stands out from other property developers.

4. Experience and Expertise

The Group of Companies is a pioneer in the business of development of premium quality warehouse, distribution center and factory buildings for lease with years of trust from the customers. The Group of Companies has particular expertise in management and use of technology and know-how in project design including interior positioning and construction for efficiency in warehouse management. This reduces rotation time and enables faster delivery while minimizing error.

Location Strategy

The Group of Companies realizes the importance to selection of locations and mostly selects location in strategic locations for logistics business and conducts a study in several aspects to ensure that the selected location responds to the need of the customers and enhances the operation as well as reducing logistics costs incurred to customers. Good locations must be close to road network and reduce the transportation and distribution period which are key indicators of efficiency and effectiveness of logistic business. To select a location, the Company collects information from tenants and proposes suitable location and therefore the selection is a joint effort in which tenants and the Company considers direct and indirect, short and long-term factors that will or could affect tenants' business.

Transportation Route

The project location must be close to a road network with convenient access in all seasons and the road network must be in good conditions and allow maximum cost saving for the tenants. Most projects of the Group of Companies are located on the route with access to Suvarnabhumi Airport or Laem Chabang Port which is convenient for transportation and distribution of goods to regional areas in Thailand and to other countries and as a result it saves transportation costs for tenants.

Supply of Goods

Development of warehouse, distribution center and factory is directly related to the goods cycle which starts from manufacturers to consumers through intermediary channel or trading channel such as hypermarket, shopping center, department store, retailers and other markets. Therefore, selecting a location must take into consideration supply source and market place, and balance of varied high-and low-productivity supply source in order to minimize the distribution cost while facilitating the business.

Privileges from the Government

The Group of Companies gives consideration to development projects for warehouse located in the investment promotion zone in order to receive tax benefits. Several projects developed by the Group of Companies are located in Board of Investment' promoted Zone 2 while those projects operated by the Group of Companies would receive the same privileges to match the benefits granted to investment in Board of Investment' promoted Zone 3.

Pricing Strategy

Rental and service fee charged to tenants is determined by construction cost and appropriate project IRR as well as marketing competitiveness and value added to logistics management for customers. The Group of Companies and tenants will agree on rental fee and lease term prior to execution of a lease agreement and a service agreement. As a result, the Group of Companies' risk exposure for non-occupancy is very low and the Company can also make an estimate and project return for each project.

Customer Procurement and Marketing Promotion Campaign

In relation to renting of projects, tenants consider experience, potential, quality and past performance of the developers. Therefore, to recruit customers, the Group of Companies relies on good relationship with customers as well as builds its reputation and experience over time. The Company's key sales channels are:

- Bidding – Potential customers directly contact the Company to participate in bidding with other developers. This group of customers generally is the multi-national companies with first-time investment plan in Thailand or expansion plan or enhancement for logistics operation. They will evaluate each developer based on its credentials and invite only the qualified candidate to participate.
- Referral and Expansion of Leasable area by existing customers – one of the effective sales promotion is the past performance since trust among tenants is a key to sales. The Group of Companies' past performance proves and confirms confidence among the existing customers as they expand their leasable areas on a regular basis as well as supporting the Group of Companies regarding sales to new customers.

The Group of Companies' key marketing activities also involve direct approach to potential customers, and other intermediaries such as industrial estate developers, government agencies, embassies, trade officers, brokers and etc. The Group of Companies also develops other marketing materials that directly target customers, for example, brochures, press advertisement, the Company's website, signboards on all construction sites, seminar participation and domestic and international conferences.

1.2.2 Customer Profile and Target Customers

1. The manufacturers and distributors from both domestic and international players. This group is in need of the warehouse, distribution center and factory for manufacturing and distributing the products to its customers and consumers throughout Bangkok and vicinity and all regions in Thailand including across the Asean Economic Community (AEC). The delivery of the products can be responsive to their comprehensive requirements as the relevant factors affecting the efficiency of its logistics operation play an important role in the overall logistics cost.
 - A. Multi-national manufacturers and distributors: this group of customers generally has a demand for sophisticated and premium quality warehouses and distribution centers, for example, large location under one roof (of over 50,000 square meters), strong floor support to suit the floor plan, column pitch suitable to function, ventilation system and temperature control system in place. In addition, these multi-national companies look for trustworthy operators in terms of quality, cost, and delivery time and pre-sale and after-sale service which means that this group of customers prefers to lease projects operated by professional developers.
 - B. Local manufacturers and distributors: this group of customers recognizes importance of and need logistic system where, in the past, they built and managed warehouse, distribution center and factory by themselves. Now the trend is that investment for storage and management of warehouse, distribution center and factory buildings has changed from self-investment that requires large capital, expertise with low flexibility, to outsourcing (as seen in Australia, The United States, Japan and some other countries) in order to increase competitiveness to match other countries. In terms of growth, the growth of Third Party Logistics providers (3PLs) tends to be on the rise at a significant level to the business of the Group of Companies.
2. Third Party Logistics providers (3PLs): The majority of these companies are leaders from other countries which have expertise in logistics management. They act as a distributor and transportation service provider for customers whose distribution and transportation are not their core business. The 3PLs companies make investment in distribution network including providing transport vehicles, sourcing warehouse, recruiting personnel, obtaining supply chain and operating system.

Total leasable area of the Group of Companies (square meters) by tenants as at 31 December 2014

Type of Tenant	The Group of Companies As at 31 December 2014	
	Leasable area	%
1 Fast moving consumer goods	139,333.71	54
2 Third party logistics providers (3PLs)	104,115.00	41
3 Manufacturers and industrial factory	12,013.40	5
Total	255,462.11	100

Remark : Excluding leasable area sold to or leasable area with the right transferred to the Fund and Trust

Total Leasable area of the Group of Companies (square meters) by lease term (total lease term) as at 31 December 2014

Lease Term (Year)	The Group of Companies As at 31 December 2014	
	Leasable area	%
1 1 – 3 years	49,412.56	19
2 Over 3 – 5 years	91,932.00	36
3 Over 5 – 9 years	20,793.00	8
4 Over 9 years	93,324.55	37
Total	255,462.11	100%

Remark : Excluding leasable area sold to or leasable area with the right transferred to the Fund and Trust

Total Leasable area of the Group of Companies (square meters) by remaining lease term as at 31 December 2014

Remaining Lease Term (Year)	The Group of Companies As at 31 December 2014	
	Leasable area	%
1 1 – 3	141,348.56	55
2 Over 3 – 5	18,068.00	7
3 Over 5 – 9	96,045.55	38
Total	255,462.11	100%

Remark :

1. Excluding leasable area sold to or leasable area of projects sold to/whose the right transferred to the Fund and Trust
2. Remaining lease term for projects with income recognition, is calculated from 31 December 2014 onwards.

1.2.3 Market Competition and Industry Trend

Currently, there are a few developers in premium quality warehouse, distribution center and factory for lease in strategic locations. However, the Company has direct and indirect competitors from the large industrial estate developers who are conducting the ready-built properties for sale and rent as follows:

Direct competition from other developers of warehouse, distribution center and factory for rent

The Group of Companies' major competitors are TICON Industrial Connection Public Company Limited and its subsidiaries (TICON group). Although TICON group offers both General Warehouse and Built-to-Suit Warehouse like the Company's products, most of their warehouse have standard size area in average of 2,500 to 5,000 square meters (source: November 2014 information for investors) whereas most of the Company's leasable area is based on the needs of the customers which are generally larger than 10,000 square meters. TICON group's main customers are Japanese companies leasing general warehouse. In 2012, this accounted for 40.0% and 36.0% of total tenants (source: November 2014 information for investors). Most of TICON's customers are operators in electronics, electrical appliances and automotive industries while the Company's customers are mainly consumer and medical supply companies.

Apart from TICON group, the Group of Companies' other competitors in land development and warehouse and factory construction for sale/lease are Pinthong Industrial Park Co., Ltd. and Thai Factory Development Public Co., Ltd. However, these two competitors are not the Group of Companies' direct competitors because they focus on building small warehouse and ready-made factory for sale or lease to small business.

Competition from industrial estate developers

The Group of Companies' competitors also includes operators who starts off as an industrial estate developer and later on expand their business to development of warehouse and factory buildings within the industrial estates which is to add product line and service. Example of these industrial estate companies are Hemaraj Land and Development Public Co., Ltd., and Amata Summit Ready Build Co., Ltd. Generally, they develop ready-built factory buildings for sale and lease to medium and small operators and these industrial estate developers' opportunity is limited to development of properties in their own industrial estates or in the industrial estates for which they provide service. On the contrary, the Company can freely develop properties in any location seen by the Company and tenants as appropriate. In case the Group of Companies wants to expand the area into the industrial land, the Group of Companies can make a direct inquiry with the respective industrial estates. Due to these factors, the Company has various locations which meet the need of all tenants and it is considered an advantage that makes the Company more flexible than industrial estate developers.

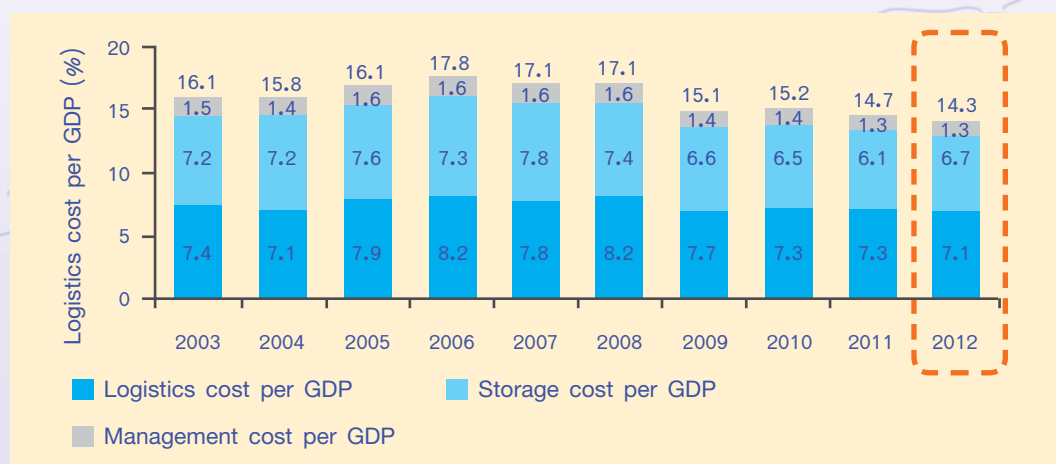
Competition from other small developers of warehouse and factory buildings for sale and lease

At present, there are several developers of warehouse and factory buildings for sale and lease in strategic area for logistics business. However, this group of developers only target small to mid-size corporates who are looking for low-cost warehouses for rent. Therefore, these developers do not compete directly with the Group of Companies.

Industry Trend

Logistic business requires planning, operation, control, data management and financial transactions which drive movement, storage, collection, distribution and service to the maximum efficiency and effectiveness. Logistics costs comprise of three main parts:

- Transportation cost including transportation cost for moving goods from manufacturers to end-users;
- Storage cost including inventory carrying cost or opportunity cost and inventory management cost;
- Management cost including raw material cost and purchasing cost, for example.



(source: NESDB)

The above diagram shows logistic cost per GDP during 2003 – 2012 (forecast). As shown, the result of implementation of the national logistic plan since the beginning of implementation of the National Logistic System Strategy Development Master Plan 2007–2011 was that Thailand logistic cost reduced from 17% of GDP in 2007 to 14.3% of GDP in 2012 (forecast) and aimed to achieve the target of lowering the logistics cost per GDP to not exceeding 12% within 2017. (source: National Logistic System Strategy Development Strategic Plan No. 2 (2013–2017))

Description	Singapore	Malaysia	Thailand	Philippines	Vietnam	Indonesia	Cambodia	Laos	Myanmar
Logistics competency indicators	4.13	3.49	3.18	3.02	3.00	2.94	2.56	2.5	2.37
World Ranking	1	29	38	52	53	59	101	109	129
1. Custom Formalities	4.10	3.28	2.96	2.62	2.65	2.53	2.30	2.38	2.24
2. Basic structure	4.15	3.43	3.08	2.80	2.68	2.54	2.20	2.4	2.1
3. Preparation for international transportation	3.99	3.40	3.21	2.97	3.14	2.97	2.61	2.4	2.47
4. Provider's capacity in logistic for public sector and business sector	4.07	3.45	2.98	3.14	2.68	2.85	2.50	2.49	2.42
5. Tracking and checking system	4.07	3.54	3.18	3.30	3.16	3.12	2.77	2.49	2.34
6. Punctuality	4.39	3.86	3.63	3.30	3.64	3.61	2.95	2.82	2.49

(source: World Bank)

However, Thailand's evolution in logistic competition is rather slow when compared with other countries in the same region. The World Bank's 2012 indicators (source: The World Bank) showed that Thailand was ranked 38th while Singapore was ranked 1st whereas among ASEAN countries, Thailand was ranked 3rd with Singapore and Malaysia as leaders.

According to the comparison between countries within the region, Thailand still has high logistic cost which has direct impact on Thai operators. Therefore, efficient logistic management to reduce cost is the main goal for many operators. Also the study conducted by Office of the National Economics and Social Development Board showed that Thailand had potential in reduction of inventory holding costs by 10% by increasing efficiency in storage format and location and distribution.

Each business in each industry requires different warehouse specification. Warehouse and factory for lease remains an option for foreign operators who want to control their investment and operating cost for non-core business in which they have no expertise or incur high management cost as they cannot benefit from economies of scale. These multinational companies do not want the ownership in warehouse and factory building and therefore they minimize their risk exposure and uncertainty particularly uncertainty in investment and the demand of their products and service.

Furthermore, there is an on-going demand for warehouse, distribution center and factory for lease in logistics companies that are expanding business in Thailand. The trend in using logistic service is obvious in foreign countries such as The United States, China, Japan, European countries and other countries. Thai operators become more interested in using logistic service. These multinational companies do not wish to make investment in properties for non-core business otherwise it will create large fixed cost for a long period of time. They also need to spend part of their investment on information technology system, vehicles and manpower. Given that they have no expertise in self-managed property investment, these industrial companies rely on expertise and experience in property development of property developers for related services.

At present, warehouse, distribution center and factory buildings for lease are scattered in Bangkok, around Bangkok and in major industrial zones. These include ready-built warehouse and factory buildings for lease and Built-to-Suit warehouse and factory buildings. However, the quality of warehouse and factory buildings in several projects are not in accordance with international standard. For example, the floor cannot take heavy loads or cracks might appear on the floor after long period of use; the building format does not allow convenient loading or unloading or there are too many columns. These problems may obstruct tenants' operation or create redundant process. Some projects do not have infrastructure to facilitate tenants' operation such as there is no temperature control system, the road cannot accommodate large truck, there is no waste management or the water system is insufficient. Therefore, the market for premium quality warehouse, distribution center and factory is not very competitive since there are few developers at the moment.

Given the overall industrial condition in Thailand, there are still many factors favorable for the Company's growth, e.g. the number of business service providers or 3PLs that rose by more than 3,000 over the past several years. Moreover, the survey by the Office of National Economic and Social Development Board revealed the rising per capita income which in turn increasing the population purchasing power and resulting in a number of retailers requiring standard warehouses, distribution centers and factories. Besides, there is demand from e-commerce business operators. The e-commerce business is considered still at the infant stage and will require substantial leased areas in the near future. Finally, the economic integration among ASEAN countries or AEC will commence in 2015. This will contribute to the continuously rising demand for high quality warehouses, distribution centers and factories.

1.3 Product or Service Procurement

Land is the major cost of the Company's business. The Group of Companies' policy is to acquire land when needed rather than holding the land bank without development for long period of time. Land acquisition is made in accordance with the investment plan to match specific needs of customers (Built-to-Suit) and to reduce interest obligations incurred from acquisition and accumulation of a large number of lands with no potential projects. However, the Company may consider acquiring larger piece of land if the land is connected to the existing projects which can be developed for expansion for tenants who clearly express their interest in expansion of the leasable area in the future.

As at 31 December 2014, the Group of Companies' land held for future development, developing land and developed land are as follows:

Location	Type of Projects	Total Area (Rai)	Developed Land (Rai)	Developing Land (Rai)	Land Held for Future Development (Rai)	Remark
Wang Noi District KM. 61	Warehouse and distribution center	69-0-16	69-0-16	-	-	Leasehold right
Chonlahan Pichit Irrigation	Warehouse and distribution center	149-0-78	14-0-0	43-2-47	91-2-31	Title
Canal KM.3						
Chonlahan Pichit Irrigation	Warehouse and distribution center	81-0-16	81-0-16	-	-	Title
Canal KM.4						
Chonlahan Pichit Irrigation	Warehouse and distribution center	66-2-85	66-2-85	-	-	Leasehold right
Canal KM.5						
Ladkrabang, Bangkok	Warehouse and distribution center	99-1-29	60-1-15	24-2-8	14-1-34	Title

Location	Type of Projects	Total Area (Rai)	Developed Land (Rai)	Developing Land (Rai)	Land Held for Future Development (Rai)	Remark
Amata City Industrial Estate	Factory	13-1-14	13-1-14	-	-	Title
Hemaraj Industrial Estate, Saraburi (Mega HSIL)	Warehouse and distribution center	34-3-12	34-3-12	-	-	Title
Bangna-Trad KM. 7	Office building	6-0-32	1-2-14		4-2-18	Title
Bangna-Trad KM. 19 (Extension)	Warehouse and distribution center	11-1-57	11-1-57	-	-	Leasehold right
Prachinburi	Warehouse and distribution center	14-3-39	-	-	14-3-39	Title
Laem Chanbang	Warehouse and distribution center	49-3-59	-	49-3-59		Title
Khon Kaen	Warehouse and distribution center	35-3-63	-	-	35-3-63	Title
Surat Thani	Warehouse and distribution center	159-2-51	-	-	159-2-51	Title
Panthong	Warehouse and distribution center	119-2-36	-	-	119-2-36	Title
Lamphun	Warehouse and distribution center	59-2-88	-	-	59-2-88	Title
Samutsakhon	Warehouse and distribution center	140-0-12	-	29-0-0	111-0-12	Title
Bangna-Trad KM. 23	Warehouse and distribution center	190-0-0	-	-	190-0-0	Title
Total		1,300-1-87	352-0-29	147-0-86	801-0-72	

Land Acquisition

The Group of Companies acquires land from the owners directly or by leasing land from the Group of Companies' partners or by purchasing land through agents. In this respect, the Company usually selects land plots in at least two locations to allow the Group of Companies to have bargaining power and to acquire the land at the preferred location at a good price. The Group of Companies' criteria for land acquisition are as follows:

- Location of the land must be connected to a road network according the requirement and the need of tenants and it must be in a strategic location for logistics business near a port or in a zone entitled to privileges from the Board of Investment (BOI) which will also meet the need of other and new tenants once existing lease agreement expires.
- Land price must not be too high for both freehold and leasehold land. Land must generate a competitive monthly lease for the Company.
- Land must be of an appropriate size for first development as well as for expansion of future projects of tenants. It should also be flexible in terms of suitability for the need of new tenants.

The Company's land management team studies, analyzes, retains and updates land data so that the Group of Companies has data on location and land with potential for development of new projects and the Group of Companies can evaluate and set a strategy for acquisition and budget required accurately. Such data will be transferred to Finance Department for financial planning for the most appropriate and the most economical capital sourcing for land acquisition.

Selection of Construction Contractor

The Group of Companies divides selection of construction contractors into two categories based on type of projects as follows:

1. Contractor selection for Built-to-Suit project: The Group of the Companies sends an invitation to bid to construction companies and makes preliminary agreement on pricing before proposing the price to customers. However, not all decisions for selections are made by the Company. Tenants may want to select a construction company themselves or it has already been nominated.
2. Contractor selection for General Warehouse Project: The Group of Companies invites all bids from construction companies, negotiate and select construction companies based on the procedure and the criteria set out by the Company.

Since the Group of Companies selects a contractor regularly, the process for contractor selection and evaluation has been established as follows:

1. Send out the requirement and the Terms of Reference (TOR) to construction companies listed in the pre-approved list. For new construction companies, their qualification and project history will be thoroughly verified.
2. Consider bidders' proposal for both technical aspect and pricing aspect.
3. Make selection by the selection committee.
4. Enter into a contract with the selected construction company, most of which are turnkey contract.

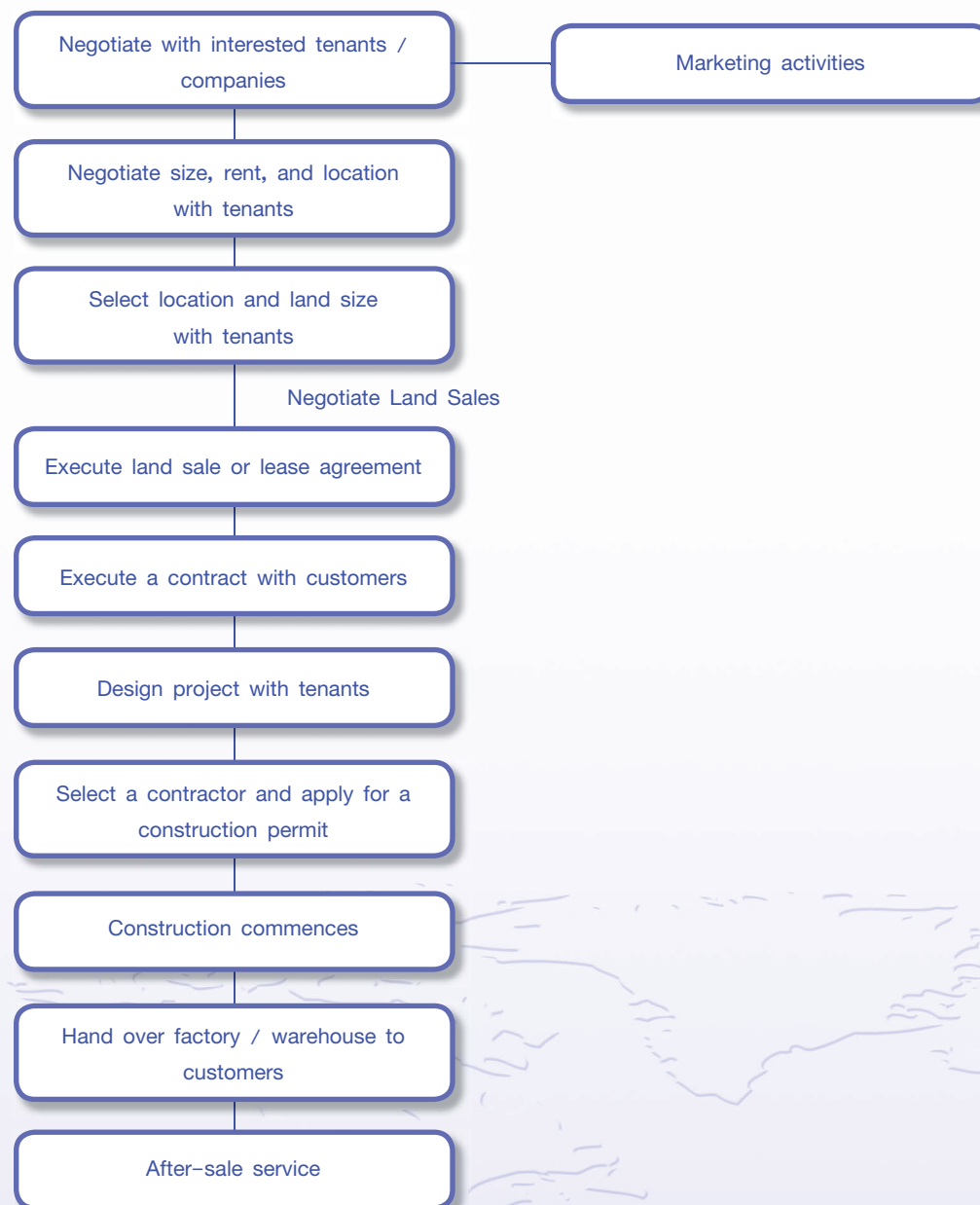
The Group of Companies' policy on selection of construction contractor focuses on transparency, fairness and common practices in the industry. The Group of Companies strictly adheres to the principle and the policy for all future projects. The Group of Companies' principle on selection of construction contractors is as follows:

1. The Group of Companies specifies and verifies construction companies in the pre-approved list while promoting fair, transparent and open competition by providing detailed requirements and scope of work in advance to at least two construction companies for bidding.
2. Factors used for consideration and selection of construction companies are past projects, quality upon hand over, construction time, offered price and after-sale service.
3. Selection of a construction company must be approved in accordance with the approval authority and the regulations of the Group of Companies.
4. Contracts are reviewed by an expert legal advisor.
5. There is a segregation of duties for contract execution, inspection for hand over and account recording.
 - Contracts will be executed by the authorized directors of the Group of Companies.
 - The Group of Companies' construction management team is responsible for inspection for hand over. They will inspect completed projects and provide a monthly progress report to the management. Inspection for hand over includes quality inspection and progress inspection against the terms and conditions in the contract.
 - Finance & Accounting Department verifies all documents and makes a record and payment upon due as specified in the contract after the project management team has inspected and received the project.
6. The Group of Companies establishes guidelines for relevant units, for example, Guideline on Selection of Construction Companies, Operation Guideline for Project Management Team. All units must comply with the guidelines and the specified work process.

Procurement of Construction Materials

The Company hires contractor on a turnkey basis which covers cost of construction material which reduces the internal work time and effectively controls construction cost.

Steps of Project Development



1. The Group of Companies procures tenants by direct contact based on the information provided by existing tenants or making contact with new customers who need to lease warehouse or factory and contacts the Group of Companies directly or through bidding or through business referral. The Group of Companies will then make preliminary negotiation on the size, location, and lease fee for the project and enquire about the short-term plan and the long-term plan in depth in order to forecast the size of area required.
2. The Group of Companies works with tenants to determine project size, selection of location, lease terms and design according to the following steps (some of which may be carried out simultaneously):

- The Group of Companies and customers negotiate nature and size of project, location, price and lease terms to reach mutual satisfaction;
 - The Group of Companies selects land of appropriate size on an agreed location based on the Company's land database which meets the needs of customers, suits transportation, are in appropriate size with potential expansion then proposes it to tenants. At the same time, the Company negotiates price with the landlord and contact a financial institution for an approval of a loan for acquisition/lease of the land and construction of the project.
 - After the Group of Companies and tenant have agreed on the location, the Group of Companies will make a final negotiation on the price and enter into a land sale or land lease agreement with the landlord.
 - Upon acquisition of the land, the Company and customer will execute a land lease and a service agreement.
 - Then the Group of Companies' engineering team will start working on the design with the tenant's architecture / engineering teams to determine requirements and nature of the project in details.
3. The Group of Companies selects a construction company based on proposed price and past projects while making an application for a construction permit with the relevant authorities.
 4. Construction begins with the Company's engineering team to act as the construction management team who supervises and monitors progress and control construction quality according to the agreement work plan. Each project generally takes approximately 4–10 months to complete the construction.
 5. The Group of Companies hands over the completed project to a tenant in a condition prompt for installation of machines or operation with warranty for the structural part throughout the lease term.
 6. The Group of Companies' after-sales service included repair and maintenance for structural part and providing insurance for the developed projects that have already been handed to tenants.

For General Warehouse with standard design, before a customer or a tenant moves in, the construction management team will coordinate with the business development team to determine design and structure of the project to suit the need of the market at the time.

Environmental Impact

The Group of Companies' policy on construction of warehouse, distribution center and factory buildings is based on good practice and strict control with a focus on construction process that minimizes impact on the environment. The Company also promotes and encourages preservation and energy saving. Before the tenants commence their operation, the Group of Companies will glance at their credibility, company profile, products and financial statements. The Group of Companies also specifies in the lease agreement entered between the Group of Companies and a tenant who stores hazardous substances that the tenant must strictly comply with the regulations on environment preservation so that the Company's business does not have negative impact on the environment. Based on such practice, the Group of Companies has never breached any environmental law or had any environmental dispute.

1.4 Projects Backlog

As at 31 December 2014, the Group of Companies and its subsidiaries have the following projects pending hand over with a lease agreement without income recognition:

Location	Entity	Land (Rai)	Construction Value excl. Land and Lease hold Right (Baht mn)	Status	Project Progress (% of completion)	Expected completion of construction and revenue recognition
1 Larkrabang	The Company	40-0-0	530.0	Projects under development	30	Quarter 3 2015
2 Samutsakhon	The Company	29-0-0	0	Projects under development	1	Quarter 3 2015
3 Laemchabang	The Company	23-1-34	0	Projects under development	1	Quarter 3 2015
4 Chonlaharnpichit Samut Prakarn KM.3	The Company	43-3-00	734.0	Projects under development	60	Quarter 4 2015
Total		136-0-34				

2. Investment and Development of Solar PV Rooftop Project

2.1 Features of Products and Service

Investment and development of Solar PV Rooftop Project is a new business which the Company initiated in 2013 due to the Company's vision that such business has high growth potential, generates steady income and has sustainability with low risk. It is able to enhance value of the Company's core business and it is in line with the Company's aspiration to preserve the environment under the Green Energy concept. The Company will install rooftop solar cell for existing warehouses, distribution centers and factories and it is expected that the Company will realize the income since 2014. In addition, the solar cell contributes additional benefit to the tenants as it functions as the heat insulator for the roof of warehouses.

On July 16, 2013, the National Energy Policy Committee by Prime Minister as the Chairman of the meeting approved the Metropolitan Electricity Authority and the Provincial Electricity Authority to procure the purchase of the Solar PV Rooftop energy in 2013 with capacity of 200 MWp divided into

- Residence with 100 MWp capacity
- Small business buildings and middle and large business buildings/factory with 100 MWp capacity and approved the Feed-in Tariff (FIT) solar cell energy which has supporting period of 25 years with following details

	Residence	Small Business Building	Middle and Large Business Buildings
Capacity	0-10 KWp	>10-250 KWp	>250 KWp
FIT Rate (Baht/Unit)	6.96	6.55	6.16

Remark : Capacity is calculated from the capacity of the solar cell.

In order to file application with the Metropolitan Electricity Authority and the Provincial Electricity Authority per the above project, the Group of Companies incorporated 11 subsidiaries in which 74.99% of shares are held by WHA Corporation Public Company Limited and 25.01% thereof by Gunkul Engineering Public Company Limited. Our 5 companies were selected to produce the electricity from the rooftop solar cell with capacity of 4.28 MWp, details of which are as follows.

The Metropolitan Electricity Authority

Company	Capacity	FIT Rate (Baht/Unit)	Location
WHA Gunkul Green Solar Roof 1 Co., Ltd.	636.48 KWp	6.16	Bangna-Trad, KM.18
WHA Gunkul Green Solar Roof 3 Co., Ltd.	832.32 KWp	6.16	Bangna-Trad, KM.18
WHA Gunkul Green Solar Roof 6 Co., Ltd.	832.32 KWp	6.16	Bangna-Trad, KM.18
WHA Gunkul Green Solar Roof 10 Co., Ltd.	979.20 KWp	6.16	Bangna-Trad, KM.18
Total	3,280.32 KWp		

The Provincial Electricity Authority

Company	Capacity	FIT Rate (Baht/Unit)	Location
WHA Gunkul Green Solar Roof 17 Co., Ltd.	997.56 KWp	6.16	Wang Noi, Ayudhaya

As at the end of 2014, the joint venture entity was selected to sell 4.28 megawatts of rooftop solar cell energy and so far 3.30 megawatts have been sold.

Privileges from the Board of Investment

5 Subsidiaries obtained investment promotion certificates from the BoI granting the following privileges.

- Exemption from tariff on imported machinery
- Exemption from corporate income tax on net profits arising from the business operation for 8 years from the date on which income is first generated.
- Receipt of the tax benefit on corporate income tax on net profit arising from the business operation at 50% of the normal rate for 5 years after the expiration of the 8 year tax holiday period.
- Dividends are excluded from the calculation of income tax during the corporate income tax exemption period.
- Double deduction of the transportation, electricity and water utility charges as expenses for 10 years from the date on which income is first derived from the business operation.
- Being allowed to deduct investment sum on installment and facilities construction at 25% of investment sum in addition to the normal depreciation.

2.2 Trend of Industry

Based on the government's policy in respect of reduction on reliance of offshore energy, reduction on release of greenhouse gas as well as establishing the sustainable energy policy, the government prepared the renewable energy and 25% alternative energy development plan for 10 year

period (2012–2021) or Alternative Energy Development Plan: AEDP (2012–2021) to set the scope and direction of renewable energy of the country which was approved by the resolution of the cabinet on December 27, 2011. The Ministry of Energy has adjusted the target to be in line with the country strategy and the renewable energy of which the growth is higher than previous expectation. The adjustment thereof was approved by the resolution of the cabinet on July 16, 2013 to such that the target capacity of the renewable and alternative energies increases for 51% from the previous plan or 9,201 MW to 13,297 MW. The new target can be summarized as follows.

Electricity Type	Target (MW)	
	Previous Plan (AEDP 2012)	New Plan (AEDP 2013)
Wind Energy	1,200	1,800
Solar Cell Energy	2,000	3,000
Hydroelectric Energy (Small Size)	324	324
Pumped Hydroelectric Energy	1,284	–
Bio–Diesel Energy	3,630	4,800
Biogas	600	600
Napier	–	3,000
Waste Energy	160	400
New Energy	3	3
Total	9,201	13,927

Source: Ministry of Energy

Having considered generating of electricity from the current renewable and alternative energy, it is found that the ratio of the alternative energy to the country's energy in 2014 is at 11.9% which increased from 2013 which is at 10.9%. Biodiesel-based energy has highest ratio while the solar cell is expanding to 57.7% due to the low development cost and less development obstacles compared with the solar cell energy and other alternative energies. In summary, the renewable and alternative energies as of the end of 2014 can be shown as follows.

Energy Typ	Unit	2013	2014
Energy Type	Unit	2013	2014
Wind Energy	MW	222.71	224.47
Solar Cell Energy	MW	823.46	1,298.51
Hydroelectric Energy (Small Size)	MW	108.80	142.01
Biodiesel Energy	MW	2,320.78	2,541.82
Biogas	MW	265.23	311.50
Waste Energy	MW	47.48	65.72
New Energy	MW	–	–
Total	MW	3,788.46	4,584.03

Source: Department of Alternative Energy Development and Efficiency

In comparison of the utilization of the alternative energy for the current electricity generation of 3,788.46 MW and target electricity generation under AEDP 2013 of 13,927 MW, it is found that the size of the alternative energy development will be expanded to 4 times within the next 10 year period. It is expected that the solar cell energy will expand up to 2 times due to the current capacity of 1,298.51 MW while the target capacity is 3,000 MW.

General Information and Key Information

1. General Information

1.1 The Company

Name	:	WHA Corporation Public Company Limited
Type of Business	:	The developer of premium warehouses, distribution centers, and factories
Location of Head Office	:	1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270
Registration Number	:	0107555000082
Telephone	:	0-2753-3750
Facsimile	:	0-2753-2750
Website	:	http://www.wha.co.th
Registered Capital	:	Baht 963,892,119
Paid-up Capital	:	Baht 963,891,769
Type of shares	:	Ordinary shares
Par Value	:	Baht 1 per share

1.2 Subsidiaries and Joint Ventures

Subsidiaries

(1)	Name	:	WHA Alliance Company Limited
	Type of Business	:	The developer of premium warehouses, distribution centers, and factories
	Location of Head Office	:	1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270
	Registration Number	:	0115546001801
	Telephone	:	0-2753-3750
	Facsimile	:	0-2753-2750
	Website	:	http://www.wha.co.th
	Registered Capital	:	Baht 260,000,000
	Paid-up Capital	:	Baht 260,000,000
	Type of shares	:	Ordinary shares
	Par Value	:	Baht 10 per share
(2)	Name	:	Warehouse Asia Alliance Company Limited
	Type of Business	:	The developer of premium warehouses, distribution centers, and factories
	Location of Head Office	:	1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270
	Registration Number	:	0115549006111
	Telephone	:	0-2753-3750
	Facsimile	:	0-2753-2750
	Website	:	http://www.wha.co.th
	Registered Capital	:	Baht 310,000,000
	Paid-up Capital	:	Baht 310,000,000
	Type of shares	:	Ordinary shares
	Par Value	:	Baht 10 per share

- (3) Name : WHA Real Estate Management Company Limited
Type of Business : Real estate investment trust manager
Location of Head Office : 1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270
Registration Number : 0115557007350
Telephone : 0-2753-3159
Facsimile : 0-2753-3527
Website : <http://www.whareit.com>
Registered Capital : Baht 10,000,000
Paid-up Capital : Baht 10,000,000
Type of shares : Ordinary shares
Par Value : Baht 100 per share
- (4) Name : WHA Corporation (International) Company Limited
Type of Business : Holding company
Location of Head Office : Pending
Registration Number : 125698
Telephone : -
Facsimile : -
Website : -
Registered Capital : US\$ 10,000
Paid-up Capital : -
Type of shares : Ordinary shares
Par Value : US\$ 1 per share
- (5) Name : WHA Corporation (Hong Kong) Company Limited
Type of Business : Holding company
Location of Head Office : UNIT 903A, 9/F YUE XIU BLDG 160-174 LOCKHART RD. WANCHAI HONG KONG
Registration Number : 2163668
Telephone : -
Facsimile : -
Website : -
Registered Capital : US\$ 10,000
Paid-up Capital : -
Type of shares : Ordinary shares
Par Value : US\$ 1 per share

Joint Venture

- (1) Name : WHA KPN Alliance Company Limited
Type of Business : The developer of premium warehouses, distribution centers, and factories
Location of Head Office : 1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270
Registration Number : 0115556021936
Telephone : 0-2753-3750
Facsimile : 0-2753-2750
Registered Capital : Baht 768,000,000
Paid-up Capital : Baht 383,750,000
Type of shares : Ordinary shares
Par Value : Baht 100 per share

(2)

Company	Registered Capital (Baht)	Paid-up Capital (Baht)
WHA Gunkul Green Solar Roof 1 Co., Ltd.	11,500,000	11,500,000
WHA Gunkul Green Solar Roof 2 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 3 Co., Ltd.	14,500,000	14,500,000
WHA Gunkul Green Solar Roof 4 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 5 Co., Ltd.	1,000,000	250,000
WHA Gunkul Green Solar Roof 6 Co., Ltd.	14,500,000	14,500,000
WHA Gunkul Green Solar Roof 8 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 9 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 10 Co., Ltd.	15,500,000	3,875,000
WHA Gunkul Green Solar Roof 16 Co., Ltd.	100,000	100,000
WHA Gunkul Green Solar Roof 17 Co., Ltd.	16,000,000	16,000,000

Type of Business : Generator and distributor of rooftop solar energy

Location of Head Office : 1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270

Telephone : 0-2753-3750

Facsimile : 0-2753-2750

Type of shares : Ordinary shares

Par Value : Baht 10 per share

Other juristic persons in which the Company holds 10% or more of the shares

Name : WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund

Type of Business : Investment in real estate in the types of warehouses, factory, and distribution centers

Location of Head Office : Kasikorn Bank Building, 6th Floor, 400/22 Phaholyothin Road, Samsen-Nai Subdistrict, Phayathai District, Bangkok 10400

Telephone : 0-2673-3999

Facsimile : 0-2673-3900

Registered Capital : Baht 13,560,600,000

Paid-up Capital : Baht 9,390,600,000

Type of shares : Ordinary shares

Par Value : Baht 10 per share

Name : WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART)

Type of Business : Investment in real estate in the types of warehouses, factory, and distribution centers

Location of Head Office : 1121 Moo 3, Theparak Road, Theparak subdistrict, Muang district, Samutprakarn province 10270

Telephone : 0-2753-3159

Facsimile : 0-2753-3527

Registered Capital : Baht 3,107,900,000

Paid-up Capital : Baht 3,107,900,000

Type of shares : Trust units

Par Value : Baht 10 per share

1.3 Reference Persons

Share Registrar

Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building,
62 Ratchadaphisek Road, Klongtoey, Bangkok 10110
Telephone: 0-2229-2800, 02-654-5599
Facsimile: 0-2654-5427

Auditor

Mrs. Anothai Leekitwattana Authorized Auditor Registration No. 3442
Mrs. Unakorn Phruithithada Authorized Auditor Registration No.3257
Mr. Vichien Gingmanee Authorized Auditor Registration No. 3977
Mr. Boonlert Kamolchanokkul Authorized Auditor Registration No.5339

PricewaterhouseCoopers ABAS Ltd.
15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120
Telephone: 0-2344-1000
Facsimile: 0-2286-5050

Legal Advisor

RL Counsel Co., Ltd.
62/15 Thaniya, Suriyawongse, Bangrak, Bangkok 10500
Telephone: 0-2235-3339
Facsimile: 0-2235-3076

Debenture Registrar

The Siam Commercial Bank Public Company Limited
1060 New Petchaburi Road, Makkasan, Ratchathevee, Bangkok 10400
Telephone: 0-2256-2323

Financial Institution

The Siam Commercial Bank Public Company Limited
9 Ratchadapisek Road, Jatujak, Jatujak, Bangkok 10900
Telephone: 0-2544-1000

2. Other material information

There is no other information which may materially affect investors' decisions.

Assets for Business Operation

1. Core operating assets of the Group of Companies

As of December 31, 2014 the core operating assets of the Group of Companies consist of investment properties at the book value of Baht 7,958.65 mn, leasehold right at the net book value of Baht 52.91 mn and building improvement and equipment at the net book value of Baht 66.84 mn, details of which are listed as follows.

1.1 Investment Properties and leasehold right

The Group of Companies holds investment properties and leasehold right for construction of warehouses, distribution centers, and factories for rent as detailed below.

Location	Property holding	Book value as of December 31, 2014 (Baht mn)
1. ICD Road, Klong Sam Pravet Subdistrict, Lad Krabang District, Bangkok	Ownership	1,318.2
2. Amata City Industrial Estate, Mabyangporn, Pluakdaeng, Rayong	Ownership	157.8
3. Khon Kan	Ownership	128.9
4. Phan Thong, Choburi	Ownership	446.4
5. Surat Thani	Ownership	140.5
6. Bangna-Trad Road, Bangkaew, Bangplee, Samut Prakan	Ownership	277.1
7. Laem Chabang	Ownership	145.4
8. Klongsongnam, Samut Prakan	Ownership	1,116.7
9. Klongsongnam, Samut Prakan	Leasehold Right	522.7
10. Klongsongnam, Samut Prakan	Ownership	1,157.6
11. Kabinburi, Prachinburi	Ownership	24.2
12. Lampoon	Ownership	59.7
13. Rama II road, Samut sakorn	Ownership	520.2
14. Lardproa, Bangkok	Ownership	1,996.1
Total		8,011.5

Remark : Land, leasehold right, warehouse, distribution center and factory including fixtures are under registered mortgage as security against loans and borrowings.

1.2 Buildings improvement and equipment

Assets	Book Value as of December 31, 2014 (Baht mn)
Building improvement	11.9
Office equipment	7.2
Vehicles	24.3
Total	43.4

1.3 Details of fixed assets as security as of December 31, 2014

Assets	Encumbrances
1. Land under title deeds nos. 1482, 42151, 42152, 42153, 42154, 12264, 12265, 12266 ICD Road, Klong Sam Pravet Subdistrict, Lad Krabang District, Bangkok and buildings on such plots of land	Security against loan of Baht 1,287 mn
2. Land under title deeds nos. 22892, 22895 and 22896 Batalo, Wangnoi, Ayudhya and buildings on such lands	Security against loan of Baht 600 mn
3. Land under title deeds nos. 50692 and 50693 at Hemraj Industrial Estate, Nongplamo, Nongkae, Saraburi and buildings on such land	Security against loan of Baht 400 mn
4. Land under title deeds nos. 850, 851, 5125, 5227, 6727, 15684, 853, 897, 8332 and 8333 Tambol Phan Thong, Amphur Phan Thong, Choburi and buildings on such land	Security against loan of Baht 1,500 mn
5. Land under title deeds nos. 110571 Klongsongnam Road, Tambol Bangpla, Amphur Bangplee, Samut Prakan and buildings on such land	Security against loan of Baht 1,186 mn
6. Land under title deeds nos. 106329 and 140154 Klongsongnam Road, Tambol Bangpla, Amphur Bangplee, Samut Prakan and buildings on such land	Security against loan of Baht 1,458 mn
7. Land under title deeds nos. 3079, 2535, 5731, 2481, 2536, 22990, 22992, 22993, 21942, 21944, 21940, 21941 and 21945, Bangsaothong, Bangplee, Samutprakan and buildings on such land	Security against loan of Baht 2,343 mn

2. Material agreements relating to the Group of Companies

As of December 31, 2014 the Group of Companies is a party to the following material agreements for the undertaking of the businesses.

2.1.1 Land Lease Agreements

Parties	Tenant: the Company Landlord: Mrs. Seumsri Tarnsamritti by Mrs. Sukhawadee Kanchanawat, Mr. Suepong Tansamritti and Mrs. Songkiati Tansamritti
Term	30 years May 1, 2012 to April 30, 2042
Rental*	Baht 724,920 per year throughout the lease term.

Remark : *Rental does not include initial remuneration.

Parties	Tenant: the Company Landlord: Arunwongrat Co., Ltd.
Term	30 years from April 1, 2013 to March 31, 2043
Rental*	Year 1–Year 5 (October 1, 2013 to March 31, 2018): Baht 4.8 million subject to increase every five years.

Remark : *Rental does not include initial remuneration.

Parties	Tenant: WHA KPN Alliance Co., Ltd. Landlord: KPN Group Corporation Co., Ltd.
Term	30 years from January 3, 2014 to January 2, 2044
Rental	Baht 4,550,596.26 per year

2.1.2 Roof Area Lease Agreements

Parties	Tenant: WHA Gunkul Green Solar Roof 1 Co., Ltd. Landlord: WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART)
Term	25 years from April 30, 2014 to April 29, 2039
Leasable Area	7,302.20 sqm.

Parties	Tenant: WHA Gunkul Green Solar Roof 3 Co., Ltd. Landlord: WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART)
Term	25 years from April 30, 2014 to April 29, 2039
Leasable Area	8,624.30 sqm.

Parties	Tenant: WHA Gunkul Green Solar Roof 6 Co., Ltd. Landlord: WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART)
Term	25 years from April 30, 2014 to April 29, 2039
Leasable Area	8,620.20 sqm.

Parties	Tenant: WHA Gunkul Green Solar Roof 17 Co., Ltd. Landlord: The Company
Term	25 years from July 7, 2014 to July 6, 2039
Leasable Area	10,833.30 sqm.

2.2 Memorandum of Agreement on Cooperation

Parties	:	The Company and BSY Construction Co., Ltd. ("BSY")
Execution Date	:	March 22, 2012
Expiration Date	:	Nil
Termination Condition	:	Nil
Objectives	:	To set the scope of cooperation on product development in both quality and price in response to customers' need and in order to effectively compete in the market, and to set the terms for utilizing know-how.

Key terms:

1. To engage in bidding or negotiation with customers who need to lease warehouses, distribution centers or Built-to-Suit warehouses, BSY, at the Company's request, will participate in bidding or negotiation with customers in the capacity as the Company's contractor.
2. BSY will join the Company in developing products, technical information and/or know-how that are related and useful to the construction of warehouses, distribution centers or factories. BSY and the Company will equally bear expenses. Know-how will belong to the Company and BSY.

BSY shall not disclose or apply mutually-developed know-how to construction projects of the Company's competitors, or enter into similar contracts or agreements with the competitors without a prior written consent of the Company. In case of doubt as to whether such person is a competitor of the Company, BSY will firstly discuss it with the Company.

3. BSY will give advice and recommendation to enhance the Company's competitiveness in the leasing business.
4. BSY will suggest and invite potential customers who are interested in leasing the warehouse, distribution centers and/or factories to become the customers of the Company.
5. BSY agrees that all plans, documents, data or things relating to the Company's customers and/or construction which BSY is engaged for construction to the Company are the confidential business information. For whatsoever reasons, BSY will not disclose such information or do any acts and things which cause others to know the confidential information whether before or after the term of this agreement unless the Company's prior written consent is given, or it is required to comply with order, rules, regulations or any provisions of laws or orders of the court or competent governmental agencies.

2.3 Property Management Agreement and Undertaking Agreement

The Company was appointed as the property manager of the WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund (WHAPF), and WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART), the material terms of which are as follows.

1. Property Management Agreement and Undertaking Agreement upon establishment of WHAPF

Management Term	8 years from December 14, 2010. Upon completion of the 8 year term and the Company does not breach any material terms, the Fund will consider renewing this Agreement for a period of up to 5 years on each occasion.
Annual Remuneration	Not more than 5% of net asset value of the Fund
Management Asset	1. Warehouse Projects 1 and 2 (Kao) 2. Factory building project (Primus)
Non-Competition	If the Company wishes to offer other assets to any customers and brokers Agreement for purpose of lease and/or assignment of leasehold right in respect of warehouses and/or factories of the Company within a 20 km radius of the Fund's asset, the Company will firstly offer the Fund's assets to such customers or brokers, if the following conditions are met: <ul style="list-style-type: none"> • The Company remains as the manager of the Fund's said assets and • The Fund's assets are qualified for the business of the customers or brokers
Investment Unit Holding Agreement	Within 8 years from the effective date of agreement on appointment of asset manager, the Company agrees to maintain the investment unit holding ratio as held by it and related persons according to the securities and exchange law of not less than 20% of the total initial amount of the investment units. If the Fund offers for sale of investment units in the future, it shall be deemed that the Company shall not be subject to such terms and conditions.

2. Property Management Agreement and Undertaking Agreement upon the first capital increase for WHAPF

Management Term	30 years from February 22, 2012 unless the lease term of management asset terminates earlier.
Annual Remuneration	Not more than 5% of the net asset value of the Fund
Management Asset	<ol style="list-style-type: none"> 1. DKSH Consumer Project 2. DKSH 3M Project 3. DKSH, Bangpa-In Project 4. Ducati Project
Non-Competition Agreement	<p>If the Company wishes to offer other assets to any customers and brokers for purpose of lease and/or assignment of leasehold right in respect of warehouses and/or factories of the Company within a 20 km radius of the Fund's asset, the Company will firstly offer the Fund's assets to such customers or brokers, if the following conditions are met:</p> <ul style="list-style-type: none"> • The Company remains as the manager of the Fund's said assets and • The Fund's assets are qualified for the business of the customers or brokers
Investment Unit Holding Agreement	<p>Within 8 years from the effective date of agreement on appointment of asset manager ("Investment Unit Holding Period"), the Company shall maintain the investment unit holding ratio for the capital increase no. 1 as held by it and related persons according to the securities and exchange law as follows.</p> <ul style="list-style-type: none"> • not less than 20% of the investment units offered for sale in respect of the first capital increase for the first 2 years of the Investment Unit Holding Period; and • not less than 15% of the investment units offered for sale in respect of the first capital increase for a period between year 3 and year 8 of the Investment Unit Holding Period

3. Property Management Agreement and Undertaking Agreement upon the second capital increase for WHAPF

Management Term	30 years from January 10, 2013 unless the lease term of management asset terminates earlier.
Annual Remuneration	Not more than 5% of the net asset value of the Fund
Management Asset	<ol style="list-style-type: none"> 1. Kao 3 Project 2. Healthcare (DKSH)
Non-Competition Agreement	<p>If the Company wishes to offer other assets to any customers and brokers for purpose of lease and/or assignment of leasehold right in respect of warehouses and/or factories of the Company within a 20 km radius of the Fund's asset, the Company will firstly offer the Fund's assets to such customers or brokers, if the following conditions are met:</p> <ul style="list-style-type: none"> • The Company remains as the manager of the Fund's said assets and • The Fund's assets are qualified for the business of the customers or brokers

Investment Unit Holding Agreement	Within 3 year period from the effective date of agreement on appointment of asset manager in respect of the capital increase no.2 (“Investment Unit Holding Period”), the Company agrees to maintain the investment unit holding ratio which were offered for sale in respect of capital increase no. 2 as held by it and related persons according to the securities and exchange law of not less than 10% of the total amount of the investment units in respect of the capital increase no.2. If the Fund offers for sale of investment units in the future, it shall be deemed that the Company shall not fall into such terms and conditions.
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4. Property Management Agreement and Undertaking Agreement upon the third capital increase for WHAPF

Management Term	30 years from November 29, 2013 unless the lease term of management asset terminates earlier.
Annual Remuneration	Not more than 5% of net asset value of the Fund
Management Asset	<ol style="list-style-type: none"> 1. WHA Mega Logistics Center Project (Bangna-Trad Road-KM 19) 2. DSG Phase 1 and Phase 2 Project 3. Ducati Phase 2 Project 4. 3 M Phase 2 Project 5. WHA Mega Logistics Center Project (Phan Tong, Cholburi) 6. Air Condition System in Healthcare Project
Non-Competition Agreement	<p>If the Company wishes to offer other assets to any customers and brokers for purpose of lease and/or assignment of leasehold right in respect of warehouses and/or factories of the Company within a 20 km radius of the Fund’s asset, the Company will firstly offer the Fund’s assets to such customers or brokers, if the following conditions are met:</p> <ul style="list-style-type: none"> • The Company remains as the manager of the Fund’s said assets and • The Fund’s assets are qualified for the business of the customers or brokers <p>However, the above-mentioned conditions shall not apply to the following cases:</p> <ul style="list-style-type: none"> • The Company presents to the Fund by submission for consideration of the letter of intent of the customer or broker that specifications of the assets of the customer or broker does not match with the specifications of the Fund’s assets, and the Company has signed the letter of intent with the said customer or broker notwithstanding the fact that the specifications of the assets of the customer or broker will subsequently match with those of the Fund, or • The Company proposes the Fund’s asset to the customer or broker, and it is rejected in writing by customer or broker. <p>The parties agree to grant the customer or broker the exclusive right to consider the Fund’s asset as to whether such specifications of the assets match the type of business of the customer or broker. If the customer or broker does not wish to enter into the agreement with the Fund, the Company shall not be deemed to breach this provision of the agreement.</p>

Investment Unit Holding Agreement	Within 3 years from the effective date of agreement on appointment of asset manager in respect of the capital increase no. 2 (“Investment Unit Holding Period”), the Company agrees to maintain the investment unit holding ratio which were offered for sale in respect of capital increase no. 2 as held by it and related persons according to the securities and exchange law of not less than 10% of the total amount of the investment units in respect of the capital increase no. 2. If the Fund offers for sale of investment units in the future, it shall be deemed that the Company shall not fall into such terms and conditions.
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5. Property Management Agreement and Undertaking Agreement upon establishment of WHART

Management Term	30 years from December 15, 2014. Throughout the term of the Agreement, the Trust Manager has the authority to review the result of the performance of the property manager every three years from the date WHART Trust makes investment.
Annual Remuneration	Not exceeding 3% of the net asset value of the Trust
Management Asset	<ol style="list-style-type: none"> 1. WHA Lardkrabang Phrases 1 and 2 2. WHA Mega Logistics Center Project (Bang-na – Trad road K.m. 18) 3. WHA Mega Logistics Center Project (Bang-na – Trad road K.m. 23)
Non-Competition Agreement	<p>If the Company wishes to offer other asset to any customer and broker for purpose of lease and/or assignment of leasehold right in respect of the Company’s warehouses and/or factories located within a 20 km radius of the Trust’s asset, the Company agrees to firstly offer the Trust’s assets to such customer or broker provided that the following conditions are satisfied:</p> <ul style="list-style-type: none"> • The Company remains as the manager of the Trust in respect of the said assets; and • The Trust’s assets have the characteristics matching the business of the customer or broker. <p>Furthermore, if the Trust’s as set is located within a 20 km radius of WHAPF’s asset, the Company agrees to firstly offer the Trust’s asset together with WHAPF’s asset to the customer or broker.</p> <p>However, the above-mentioned conditions shall not apply to the following cases:</p> <ul style="list-style-type: none"> • The Company presents to the Trust by submission for consideration of a photocopy of the letter of intent of the customer or broker showing that the asset of the customer or broker does not match the characteristics of the Trust’s asset, and the Company has signed a letter of intent with the said customer or broker notwithstanding the fact that the characteristics of the assets of the customer or broker will subsequently match those of the Trust; or • The Company has previously offered the Trust’s asset to the customer or broker, and it was then rejected in writing by the customer or broker.

	<p>The parties agree to grant the customer or broker the sole right to consider as to whether or not the asset in which the Fund invests has the characteristics matching the type of business of the customer or broker. If the customer or broker does not wish to enter into the agreement with the Trust, the Company shall not be deemed to breach this provision of the agreement</p>
Trust Unit Holding Agreement	<p>1. Throughout the period of 3 years from the effective date of this agreement (“Trust Unit Holding Period”), the Company agrees to maintain its trust unit holding ratio of not less than 15% of the total units issued for the IPO and ensure that they are held by the Company and/or the Group. For this purpose, the term, the “Group” refers to persons related to one another in any one or several manners as follows:</p> <ul style="list-style-type: none"> (1) A juristic person and shareholder or partner of the Company directly or indirectly holding more than 50% of the total issued shares or partnership; (2) The person in Item (1) above shall not include a provident fund. <p>2. Throughout the Trust Unit Holding Period as aforesaid, the Company agrees that it and/or the Group will not sell or transfer the Trust Units or pledge or create any encumbrances on them to the extent that causes the Company and/or the Group to hold the Trust Units of an amount in aggregate below the above specified ratio unless the pledge or the encumbrances is effected after the Trustee has been notified in writing in advance.</p>

2.4 Lease Agreement and Service Agreement

Lease agreements and service agreements of the Group of Companies in general contain the following material terms.

Parties	The Company/Subsidiary (“Landlord”) and Tenant
Renewal Conditions	In most of the Built-to-Suit and General Warehouses, the Landlord grants the right to the Tenant for contract renewal for a period which is agreed by the parties. In exercise by the Tenant of the said right, the Tenant shall give a written notice in advance to the Landlord prior to the expiration (approximately 6–12 months). This agreement will automatically renewed pursuant to the same terms and conditions except that the rental will be mutually agreed and the maximum rental is not specified for the renewal of the lease agreement.
Termination Conditions	In most projects, if the Tenant terminates this agreement prior to the initial period without the Landlord’s fault, the Tenant shall give a written notice in advance to the Landlord for not less than the period as specified (approximately 6–12 months). If the Tenant terminates this agreement prior to the expiration date without the Landlord’s fault, the Tenant shall pay the penalty sum as specified in the agreement.

Deposit Placement Conditions	The Tenant agrees to place the security deposit with the Landlord in cash for performance of duties by the Tenant during the lease and service period. After the end of the lease and service period, the Landlord shall return the security deposit to the Tenant after deduction of damages and/or expenses arising from utilization of the leased premises, namely water and electricity charges, and unpaid rental and service fees owed to the Landlord.
Payment Conditions	In most projects, the Tenant will pay the rental and service fee to the Landlord either monthly or quarterly from the initial date of the lease period unless parties agree otherwise.

2.5 Insurance Contracts

The Group of Companies will effect insurance policies for all projects against damage to the structure of warehouses and factories while the tenants will procure insurance against damage to their assets. The insurance contracts of the Group of Companies generally contain the following material details.

Insured	The Company/Subsidiaries
Insured Period	1 year
Insured Assets	Buildings (excluding foundation), expansion parts, fixed decoration parts, renovation parts, permanently-installed glass including M&E system which is an integral part of the building, such as electricity system and water system
Coverage	<p>All-risk insurance including losses and damage to the insured assets due to fire, thunder, bomb, storm, hail, airplane, crash from motor vehicles, water, flood, smoke, earthquake, volcano, underwater wave or tsunami, labor strike, riot, bad-faith action (except action to cause the political, religious, ritual effect), danger to electrical equipment and accident from external factor subject to the conditions and exceptions of the all-risk insurance policy.</p> <p>Public liability covering insurance compensation in the name of the insured against loss or damage to third parties whereby the insured shall by law be liable, as a result or in consequence of accidents from any acts related to the insured business, for loss of life, body, injury, illness or damage to third parties' property as well as the cost of defending legal actions.</p>
Insured Amount	Value of the estimated cost of project construction and development

2.6 Shareholders' Agreements

The Company entered into agreement with Gunkul Engineering Public Company Limited to invest in a joint venture company to undertake the business of generating and distributing electricity from rooftop solar.

Parties	The Company and Gunkul Engineering Public Company Limited (“Gunkul”)
Execution Date	December 23, 2013
Expiration Date	The expiration date on which the last electricity sale and purchase agreement between the joint venture company and EGAT, or the date on which the events specified under the agreement occur
Objectives	To set the agreements and terms regarding the business management of the joint venture company in which the parties invest for purpose of undertaking the business on generating and distributing the electricity from the rooftop solar including rights, duties and responsibilities of the parties with regard to the shares in the joint venture company.
Investment Ratio	The Company : 74.99% Gunkul : 25.01%
Shareholders meeting	<ul style="list-style-type: none"> • The Company and Gunkul shall attend the meeting to constitute a quorum (by themselves or proxy) • The resolution shall be made by the voting of not less than 50% of the voting right of the shareholders of the joint venture company except that the transactions as specified in the agreement shall be approved with the voting of more than 75% of all voting right of the shareholders of the joint venture company. • Shareholders shall have one vote for one share held by them.
Board of Directors	<ul style="list-style-type: none"> • The joint venture company shall comprise 4 directors, 3 of whom are nominated by the Company and 1 by Gunkul • A quorum at the board of directors’ meeting shall comprise not less than 50% of all directors of the joint venture company, of whom at least 1 director shall be nominated by the Company and one by Gunkul. • The resolution of the board of directors shall be the majority votes of the directors attending the meeting and having voting right except for the transactions as specified in the agreement which shall receive the votes from at least 1 director nominated by the Company and 1 director nominated by Gunkul.
Dividend Payment	Not less than 90% of net profit after taxes and statutory provision. Dividends shall be paid annually. However, the parties may consider payment of dividend in accordance with the state and condition of the business.
Construction and Operation	<ul style="list-style-type: none"> • Unless otherwise agreed, the parties agree that the joint venture company may engage Gunkul Power Development Co., Ltd. (“GDP”) to exclusively design the project, construct, control construction works and act as advisor for the rooftop-solar power plant project (EPC Contractor) of the joint venture company for the project as confirmed to the relevant joint venture company to enter into the electricity sale and purchase agreement for year 2013 subject to the terms and conditions in the agreement.

	<ul style="list-style-type: none"> For the future projects of the joint venture company, the joint venture company will engage Gunkul, GPD and subsidiaries of Gunkul as EPC Contractor if Gunkul, GPD and their subsidiaries are able to proceed with conditions as specified in the agreement. In operation and maintenance, Gunkul shall procure GPD or Gunkul's subsidiaries to propose terms and conditions on the said operation to be considered by the joint venture company within 7 days from the date of the agreement. If the terms and conditions are not favorable to the joint venture company, the joint venture company may select other person to proceed whether in whole or in part.
Procurement of Roof Space	The Company will procure the roof space of the buildings to be used for installment of the solar cells (including the ground floor space for relevant equipment). The joint venture company has right to use the roof for the period of not less than that specified in the electricity sale and purchase agreement at the monthly rate and adjustment rental per the terms of the agreement.
Event of Default	<p>If the defaulting party does not remedy the event of default within 45 days from the date of the notice from the non-defaulting party, the non-defaulting party has the right to request the defaulting party to do the following:</p> <ul style="list-style-type: none"> Sell shares held by it to the non-defaulting party or person as specified by the non-defaulting party at 90% of the value of joint venture company Purchase shares from the non-defaulting party at 110% of the value of joint venture company

2.7 Joint Venture Agreement

The Company entered into a joint venture agreement with Mr. Krit Narongdej to invest in the joint venture company established for undertaking the business on developing warehouse project on Bangna-Trad Road, KM 23.

Party	Mr. Krit Narongdej ("KN")
Execution Date	October 2, 2013
Termination Date	Upon occurrence of earlier of the following events: 1) liquidation of the joint venture company, or 2) mutual agreement between shareholders for termination of agreement
Objectives	To set the agreement and terms between the shareholders on investment in the joint venture company and utilization of the resource and expertise to develop, construct and manage the warehouse project.
Investment Ratio	The Company : 64.97% KN : 35.03%

Land	<ul style="list-style-type: none"> Warehouse project will be developed on 8 plots of land located on Bangna–Trad Road, KM 23, Samut Prakan. The Joint venture may procure additional lands for project development if the business plan has been approved by the board of directors. KN will procure KPN Group Corporation to lease out such 8 plots of land to the joint venture company for 30 years period. The joint venture will pay the remuneration for the whole lease period in the amount as specified in the agreement.
Project Management	Parties agree that the Company is the asset manager of the joint venture company with the monthly remuneration at 3% of project income or Baht 300,000 per month during the period which there is no income.
Shareholders' Meeting	<ul style="list-style-type: none"> The resolution shall be adopted by a majority vote of all shareholders attending the meeting except for the transactions as specified in the agreement which shall be approved by a majority vote of not less than 75% of all votes of the shareholders attending the meeting provided that at least 1 vote must be from the Group of Companies and at least one from KN. One share has 1 vote.
Board of Directors	<ul style="list-style-type: none"> Comprising 6 directors, 4 of whom are nominated by the Company and 2 by KN. A quorum of the board of directors shall comprise at least 3 directors present at the meeting. The resolution of the board of directors shall be the majority vote of the directors attending the meeting and having voting right except for the reserve matters as specified in the agreement which shall receive the votes of at least 1 director nominated by the Company and 1 director nominated by KN.
Dividends	Dividend payment is subject to the approval of the board of directors in accordance with the dividend payment policy as approved by the board of directors.
Right of First Refusal	If one party intends to sell or transfer shares in joint venture company, such party shall offer for sale of shares in writing to the other party. If the other party does not accept the offer within 60 days from the receipt of the said offer, or complete the sale and purchase within 60 days from the selling party receive the acceptance from the purchasing party, the selling party will then be entitled to sell such shares in the joint venture company to the third party at the price and upon the terms which shall not be more favorable to those proposed to the other party.
Event of Default	Occurs when 1) the defaulting shareholder does not remedy the default within 30 days from the date of notice from the non-defaulting shareholders, or 2) the shareholder becomes bankrupt or is sued for bankruptcy.

	<p>The non-defaulting shareholder may request the defaulting shareholder to do the following:</p> <ul style="list-style-type: none"> • Terminate the joint venture agreement and claim damages incurred to the non-defaulting shareholder due to default against the defaulting shareholder • Sell all shares in the joint venture company as held by it to the non-defaulting party or person as specified by the non-defaulting party at the fair value determined by an independent auditor after deduction of 10% of the said value; • Purchase all shares from the non-defaulting party at the fair value determined by an auditor plus 10% of the said value
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3. Policy on investment in subsidiaries and WHAPF and WHART

The Company has a policy to invest in companies that undertake the business as the same as the core business of the Company, real estate business and alternative energy business to increase the income and competitiveness of the Company.

As of December 31, 2014, the Company holds investment in subsidiaries, joint venture companies and the WHAPF and WHART as follows.

Companies	Description of Business	Investment Portion (%)	Investment Amount at Cost (Baht mn)
<u>Subsidiaries</u>			
- WHA Alliance Co., Ltd.	Lease out factories, warehouses and other real estates	99.99	331.40
- Warehouse Asia Alliance Co., Ltd.	Lease out factories, warehouses and other real estates	99.99	566.88
- WHA Real Estate Management Co., Ltd.	Manager of trust for property investment	99.99	10.00
<u>Joint Venture Companies</u>			
- WHA KPN Alliance Co., Ltd.	Lease out the factories, warehouses and other real estates	64.97	249.34
- WHA Gunkul Green Solar Roof 1 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	8.62
- WHA Gunkul Green Solar Roof 2 Co., Ltd. ¹⁾	Generate and distribute electricity from rooftop solar energy	74.99	0.19
- WHA Gunkul Green Solar Roof 3 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	10.87
- WHA Gunkul Green Solar Roof 4 Co., Ltd. ¹⁾	Generate and distribute electricity from rooftop solar energy	74.99	0.19
- WHA Gunkul Green Solar Roof 5 Co., Ltd. ¹⁾	Generate and distribute electricity from rooftop solar energy	74.99	0.19

Companies	Description of Business	Investment Portion (%)	Investment Amount at Cost (Baht mn)
– WHA Gunkul Green Solar Roof 6 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	10.87
– WHA Gunkul Green Solar Roof 8 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	0.07
– WHA Gunkul Green Solar Roof 9 Co., Ltd. ¹⁾	Generate and distribute electricity from rooftop solar energy	74.99	0.07
– WHA Gunkul Green Solar Roof 10 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	2.91
– WHA Gunkul Green Solar Roof 16 Co., Ltd. ¹⁾	Generate and distribute electricity from rooftop solar energy	74.99	0.07
– WHA Gunkul Green Solar Roof 17 Co., Ltd.	Generate and distribute electricity from rooftop solar energy	74.99	12.00
– WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund	Investment in real estate in category of warehouse, distribution center and factory	15	1,387.46
– WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust	Investment in real estate in category of warehouse and distribution center	15	466.19

Remark : ¹⁾ Not yet in operation. In the process of preparation for bidding for the sale and purchase agreement on rooftop-solar electricity.

In business management of the subsidiaries and joint venture companies, the Company will appoint its representative to serve as the director of such companies at the appropriate ratio to supervise the business operation of the subsidiaries and joint venture companies in appropriate director for the best benefits of the Company.

The Company has the policy to invest in real estate via WHAPF at the ratio of not exceeding 15% of all investment units to generate steady dividend income annually. However, investment in WHAPF depends on the need for investment and amount which may be raised from sale of assets to WHAPF during such period. Investment in WHAPF may, therefore, be different from the investment policies as specified. However, the Company does not control or participate in setting up the policy of WHAPF.

Legal Dispute

–None–

Detail of Board of Directors, Executive Directors, Controllers, and Company Secretary (Information as of 13 February 2015)

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years		
					Period	Position	Type of Business
Mr.Somyos Anantaprayoon Chairman and Chief Executive Officer (The director having authority to sign for binding the company as set forth in the affiliates) Date of appointment: April 23, 2012	55	<ul style="list-style-type: none"> – Doctor of Medicine, Mahidol University – Specialist doctor for Obstetrics and Gynecology, Rajavithi Hospital – Master Degree of Business Administration for executives, Faculty of Commerce and Accountancy, Thammasat University – DAP course, 2012 	28.46	The spouse of Mrs. Jeeraporn Anantaprayoon	2007 – Present	Chairman and Chief Executive Officer	Property developer on warehouses and factories
					2014 – Present	Director	Holding company
					2014 – Present	Director	Holding company
					2013 – Present	Director	Property developer on warehouses and factories
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Property developer on warehouses and factories
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy
					2014 – Present	Director	Generator and distributor of electronic power from solar energy

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 10 Co., Ltd.	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 16 Co., Ltd.	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 17 Co., Ltd.	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Asia Wealth Securities Co., Ltd.	Securities company
					2013 – Present	Director	Asia Wealth Holding Co., Ltd.	Securities trading
					2006 – Present	Director	Warehouse Asia Alliance Co., Ltd.	Property developer on warehouses and factories
					2003 – Present	Director	WHA Alliance Co., Ltd.	Property developer on warehouses and factories
					1993 – Present	Director	S & J Holding Co., Ltd.	Distribution of plastic product
					2007 – Present	Director, Managing Director And Acting Director of Business Development Department	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
Mrs. Jareeporn Anantaprayoon Director And Managing Director And Acting Head of Business Development Division (The director having authority to sign for binding the company as set forth in the affiliates) Date of appointment: April 23, 2012	48	Bachelor Degree in Faculty of Public Health, Mahidol University – Master of Business Administration, Bangkok University – DAP course, 2012	29.27	The spouse of Mr. Somyos Anantaprayoon	2014 – Present	Director	WHA Corporation (International) Co., Ltd.	Holding company
					2013 – Present	Director	WHA KPN Alliance Co., Ltd	Property developer on warehouses and factories
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 1 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 2 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 3 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director		

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 4 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 5 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 6 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 8 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 9 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 10 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 16 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 17 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	Asia Wealth Securities Co., Ltd.	Securities company
					2013 – Present	Director	Asia Wealth Holding Co., Ltd.	Securities trading
					2006 – Present	Director	Warehouse Asia Alliance Co., Ltd.	Property developer on warehouses and factories
					2003 – Present	Director	WHA Alliance Co., Ltd.	Property developer on warehouses and factories
					1993 – Present	Director	S & J Holding Co., Ltd.	Distribution of plastic products

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
Surathian Chakthranont Director Date of appointment: April 23, 2012	63	- Bachelor Degree of Engineering Program in Environmental Engineering, Chulalongkorn University - The Honorary Doctorate Degree in Technology, Shinawatra University - DAP course, 2012	-	None	2012 – Present	Director	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2008 – Present 2008 – Present 2009 – Present	Chairman Of The Board Director Executive Director Of Cluster Renewable Energy Management	E-ester Co., Ltd E-ester (Bangkok) Co., Ltd National Science and Technology Development Agency	Bio-diesel manufacturer Bio-diesel manufacturer The office under Ministry of Science and Technology
Mr. Jakrit Chaisanit Director and Head of Construction Project Management Division Date of appointment: April 23, 2012	42	- Bachelor Degree of Engineering Program in Civil Engineering, Faculty of Engineering, Chulalongkorn University - Master of Engineering in Project Management, Faculty of Engineering, University of Maryland - DAP course, 2012	0.64	None	2012 – Present	Director And Manager Of Construction Project Management Department	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2014 – Present 2003 – Present	Director Managing Director	WHA Corporation (International) Co., Ltd. A&J Builder Co., Ltd.	Holding company Constructor business

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years		
					Period	Position	Type of Business
Mr. Arttavit Chalermsaphayakom Director and Chief Financial Officer Date of appointment: April 29, 2014	39	<ul style="list-style-type: none"> - Bachelor Degree of Business Administrative , Faculty of Commerce and Accountancy, Thammasat University - Master Degree of Science, Majoring in Finance, University of Illinois (Urbana-Champaign) - DAP course, 2013 	0.20	None	2014 – Present	Director	WHA Corporation Public Co., Ltd. Property developer on warehouses and factories
					2013 – Present	Chief Financial Officer	WHA Corporation Public Co., Ltd. Property developer on warehouses and factories
					2013 – Present	Director	WHA KPN Alliance Co., Ltd. Property developer on warehouses and factories
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 1 Co., Ltd. Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 2 Co., Ltd. Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 3 Co., Ltd. Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 4 Co., Ltd. Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 5 Co., Ltd. Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 6 Co., Ltd. Generator and distributor of electronic power from solar energy
					2011 – 2013	Senior Vice President, Investment Banking Division	The Siam Commercial Bank Public Co., Ltd. Bank and Financial institution
					2007 – 2011	Senior Vice President, Investment Banking Division	CIMB Securities (Thailand) Co., Ltd. Securities company

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
Mr. Somsak Boonchoyruengchai Director And Head Of Finance And Accounting Division Date of appointment: April 23, 2012	45	<ul style="list-style-type: none"> - Bachelor Degree of Accounting, Faculty of Business Administration, Rajamangala University of Technology - Master Degree of Accounting, Faculty of Commerce and Accounting - DAP course, 2012 	0.02	None	2012 – Present	Director And Manager Of Finance And Accounting Department	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2013 – Present	Director	WHA KPN Alliance Co., Ltd.	Property developer on warehouses and factories
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 8 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 9 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 10 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 16 Co., Ltd	Generator and distributor of electronic power from solar energy
					2013 – Present	Director	WHA GUNKUL Green Solar Roof 17 Co., Ltd	Generator and distributor of electronic power from solar energy
					2004 – Present 1995 – Present	Director Director and Managing partner	Honesty Auditing Co., Ltd. A. Ruengroj Furniture Part., Ltd.	Accounting audit service Furniture producer and interior design
					2012 – Present	Director	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2006 – Present	Director	Nakit Property Co., Ltd.	Property developer on housing development
Mr. Narong Kritchanchai Director Date of appointment: April 23, 2012	39	<ul style="list-style-type: none"> - Bachelor Degree of Law, Thammasat University - Master Degree of Law Cornell University - DAP course, 2012 	-	None	2006 – Present	Director	RL Counsel Co., ltd	housing for sale Legal counsel

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
Dr. Pichit Akrathit Independent Director And Chairman Of Audit Committee Date of appointment: April 23, 2012	60	<ul style="list-style-type: none"> - Bachelor Degree of Economics, Thammasat University - Master Degree of Business Administrative, Thammasat University - Ph. D. of Economic, University of Texas at Austin - DCP course 2002 - DAP course 2004 	-	None	2012 – Present	Independent Director and Chairman of Audit Committee	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2013 – Present	Director and Chief Executive Officer	Asia Wealth Securities Co. Ltd.	Securities company
					2013 – Present	Director	Asia Wealth Holding Co. Ltd.	Securities trading
					2014 – Present	Director	Board of Government Pension Fund	Pension Fund
					2008 – Present	Director	Faculty of Commerce and Accounting, Thammasat University	Work of board of university
					1996 – Present	Managing Director of College of Innovation	Thammasat University	University
					1999 – 2013	Directors of National Research Council of Thailand on Economic field	National Research Council of Thailand	National Research Council of Thailand
					2011 – 2012	Chairman of The Board	Kiatnakin Fund Management	Securities company
					2010 – 2012	Director	Chamber of National Institute of Development Administration (NIDA)	Chamber of National Institute of Development Administration (NIDA)
					2009 – 2011	Chairman of The Board	Thai Credit Guarantee Corporation	Financial Institute of the state under the supervision of the Ministry of Finance
					2009 – 2011	Director	Thailand Futures Exchange (TFEX)	Center of trade derivatives products from the SEC
					2004 – 2010	Specialized Committee Member	The Energy Fund Administration Institute (Public Organization) under Ministry of Energy	Ministry of Energy
					2002 – 2010	Director Executive Director and Managing Director	MFC Asset Management Public Co., Ltd.	Fund management
					2008 – 2009	Chairman of The Risk Management Sub-committee	Office of Knowledge Management and Development	Office of Knowledge Management and Development
					2008 – 2009	Chairman of The Executive Director Board Chairman of The Risk	Small and Medium Enterprise Development Bank of Thailand	Bank under the supervision of the Ministry of Finance and Ministry of Industry

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
					2007 – 2008	Management Board	Small and Medium Enterprise Development Bank of Thailand	Bank under the supervision of the Ministry of Finance and Ministry of Industry
					2006 – 2008	Director and Chairman of The Risk Management Board	The Stock Exchange of Thailand	The stock exchange of Thailand
					2006 – 2008	Director	The Thailand Securities Depository Co., Ltd.	Central securities depository for stocks and bonds
					2002 – 2008	Director and Executive Director	Export-Import Bank of Thailand	Government bank
					2005 – 2007	Director of the Corporate Good Governance Board	Government Savings Bank	Financial institution
Dr. Apichai Boontharawara Independent Director and Audit Committee Date of appointment: April 29, 2014	60	<ul style="list-style-type: none"> - Bachelor Degree of Economics, Thammasat University - Master Degree of Business Administrative, Thammasat University - Ph. D. of Economic, Washington University 	-	None	2014 – Present	Independent Director and Audit Committee	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2011 – Present	Vice Chairman of Executive Board	Southeast Insurance PLC., Southeast Life Insurance PLC., Southeast Capital Co., Ltd.	Finance and Insurance
					2006 – 2010	Managing Director	Export-Import Bank of Thailand	Finance and Insurance
								Export-Import Bank
Dr. Somsak Pratomsrimek Independent Director and Audit Committee Date of appointment: April 23, 2012	43	<ul style="list-style-type: none"> - Bachelor Degree of Accounting, Burapha University - Master Degree of Accounting, Science, Thammasat University - Ph.D. of Accounting, Chulalongkorn University - DAP Course, 2012 - Certificate of Thai Financial Reporting Standard, 2013 	-	None	2012 – Present	Independent Director and Audit Committee	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					1999 – Present	Professor of Faculty of Management and Tourism, Department of Accounting and Business Administration	Burapha University, Bangsaen, Chonburi	University
					2010 – Present	Sub-committee on the Monitoring of the Development of IFRS	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King	Regulatory Agency
					2008 – 2011	Director of Academic Council of Rajmanagala University of Technology suvarnabhumi	Rajamangala University of Technology Suvarnabhumi	University

Name/ Position Date of Appointment	Age	Education Qualification	Share holding's proportion (%)	Family relationship between the director	Work experience in the past 5 years			
					Period	Position	Company	Type of Business
					2007 – 2010	President of Master Accountancy Program, Burapha University	Burapha University, Bangsaen, Chonburi	University
					2006 – 2010	Assistant Dean of Planning Faculty of Management and Touris	Burapha University, Bangsaen, Chonburi	University
Dr. Kritsana Sukboontasatit Independent Director and Audit Committee Date of appointment: April 23, 2012	44	<ul style="list-style-type: none"> - Bachelor Degree of Business Administration - Master Degree of Business Administration, Chulalongkorn University - Ph.D. of Arts, Khon Kaen University - DAP course, 2012 	-	None	2012 – Present	Independent Director and Audit Committee	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2003 – Present	Managing Director	Business Excellence Consulting Co., Ltd.	Consultant
					2004 – 2007	Vice President	Carpet Maker (Thailand) Co., Ltd.	Goods factory
					2003 – Present	Auditor of the Thailand Quality Award	Office of Thailand Quality Award	
Mr. Kasamsi Sakunchaisirirwit Company Secretary Date of appointment: May 25, 2012	45	<ul style="list-style-type: none"> - Bachelor Degree of Law, Thammasat University - Master Degree of Law, Temple University 	-	None	2012 – Present	Company Secretary	WHA Corporation Public Co., Ltd.	Property developer on warehouses and factories
					2009 – Present	Director	RL Counsel Co., Ltd	Legal Counsel

Detail of Board of Directors, Executive Directors, Controllers, and Company Secretary (Information as of 13 February 2015)

Name	WHA	Subsidiary Company						Related Company																
		Warehouse Asia Alliance Co., Ltd.	WHA Alliance Co., Ltd.	WHA Gunkul 1, 3, 5	WHA Gunkul 2, 4, 6	WHA Gunkul 8, 9, 10, 16, 17	WHA -KPN	WHA Crop (Int'l) Co., Ltd.	WHA Crop (HK) Co., Ltd.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Mr. Somyos Anantaprayoon	X, III	I	I	I	I	I	I	I	I															
Mrs. Jareeporn Anantaprayoon	I, III	I	I	I	I	I	I	I	I															
Surathian Chakthranont	I										X, I	III	I, IV	I										
Mr. Jakrit Chaisanit	I, III														III									
Mr. Somsak Boonchoyruengchai	I, III									I						I	I, III							
Mr. Narong Kritchanchai	I																	I	I					
Dr. Pichit Akrahit	II, V																			X	X	III, IV	I	I, III
Dr. Somsak Pratomsrimek	II, V																							
Dr. Kritsana Sukboontasatit	II, V																							
Mr. Artavit Chalernsaphayakorn	I, III			I		I				I														
Mr. Apichai Boontharawara	II, V																							
Mr. Kasamsi Sakunchaisiriwit	VI																							

Remark : X = Chairman of the Board/ I = Director/ II = Independent Director / III = Executive Director/ IV = Director of Risk Management / V = Audit Committee/VI = Company Secretary

Related Company

- 1) S & J Holding Co., Ltd.
- 2) E-ester Co., Ltd. and E-ester (Bangkok) Co., Ltd.
- 3) National Science and Technology Development Agency (NSTDA)
- 4) MFC Asset Management Public Co., Ltd.
- 5) Siam Paper Public Co., Ltd.
- 6) A&J Builder Co., Ltd.
- 7) Honesty Auditing Co., Ltd.
- 8) A. Ruengroj Furniture Part., Ltd.
- 9) Nakit Property Co., Ltd.
- 10) RL Counsel Co., Ltd.
- 11) Kiatnakin Fund Management
- 12) Thai Credit Guarantee Corporation
- 13) Small and Medium Enterprise Development Bank of Thailand
- 14) Thailand Futures Exchange (TFEX)
- 15) Export-Import Bank of Thailand

Detail of Board of Directors, Executive Directors, Controllars, and Company Secretary (Information as of 13 February 2015)

Name	WHA Corporation Public Co., Ltd.	Subsidiary Company						Related Company																
		Warehouse Alliance Co., Ltd.	WHA Alliance Co., Ltd.	WHA Gunkul 1, 3, 5	WHA Gunkul 2, 4, 6	WHA Gunkul 8, 9, 10, 16, 17	WHA -KPN	WHA Crop (Int'l) Co., Ltd.	WHA Crop (HK) Co., Ltd.	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
Mr. Somyos Anantaprayoon	X, III	I	I	I	I	I	I	I	I	I	I	I	I	I										
Mrs. Jareeporn Anantaprayoon	I, III	I	I	I	I	I	I	I	I	I	I	I	I	I										
Surathian Chakthranont	I																							
Mr. Jakrit Chaisanit	I, III								I															
Mr. Somsak Boonchoyruengchai	I, III					I	I	I																
Mr. Narong Kritchanchai	I																							
Dr. Pichit Akkrathit	II, V											I, III	I	IV	I	I	I	I	I	I				
Dr. Somsak Pratomrimek	II, V																							
Dr. Kritsana Sukboontasait	II, V																				III	III		
Mr. Artavit Chalemsaphayakorn	I, III			I	I		I																	
Mr. Apichai Boontharawara	II, V	III																						III
Mr. Kasamsi Sakunchaisirirattana	VI																							

Remark : X = Chairman of the Board/ I = Director/ II = Independent Director / III = Executive Director/ IV = Director of Risk Management / V = Audit Committee/VI = Company Secretary

Related Company

- 16) The Stock Exchange of Thailand
- 17) The Thailand Securities Depository Co., Ltd.
- 18) Asia Wealth Securities Co., Ltd.
- 19) Asia Wealth Holding Co., Ltd.
- 20) Office of Knowledge Management and Development
- 21) Faculty of Commerce and Accountancy, Thammasat University
- 22) Board of Government Pension Fund
- 23) The Energy Fund Administration Institute (Public Organization) under Ministry of Energy
- 24) National Research Council of Thailand
- 25) National Institute of Development Administration (NIDA)
- 26) College of Innovation, Thammasat University
- 27) Business Excellence Consulting Co., Ltd.
- 28) Carpet Maker (Thailand) Co., Ltd.
- 29) Southeast Group

Risk Factors

1. Risk from Business Operations

1.1 Risks from competition of Industrial Estate Developers and other developers

Currently, the industrial estate developers and other developers may start to construct the factories and warehouses for rent similar to the Group's Companies' business. However, most of them who transfer or lease the ready-built factory and warehouse are still confined to each own respective industrial estate area whereas the Group of Companies emphasizes the development of premium quality warehouses that require sophisticated designs to be responsive and to tailor to customers' needs and requirements (Built-to-Suit). In addition, the Group of Companies aims to utilize its expertise in construction design and technology for Built-to-Suit concept to develop a warehouse farm project that requires advanced construction technology for other specific customers e.g. those who require areas for future expansion and for general warehouses referring to potential new customers who require immediate space. The warehouse farm project is still situated in the prime logistics location where it can be responsive to the customer's requirements. As such, the Group of Companies is able to differentiate ourselves from other competitors.

Presently, there are a few players engaging in the high-quality built-to-suit due to high barrier of entry and difficulty to succeed. This is mainly attributable to the fact that the project requires the expertise and dedicated knowledge to understand the sophisticated customer's requirements, capital-intensive business and in-depth understanding in relation to the locations and ability to procure and invest in land which can respond to customers' needs. Furthermore, the expertise and flexibility as well as the patience to conduct the extensive design of the products to achieve the utmost benefit of the customers coupled with the proven track record and credentials which enable us to be entrusted by the multi-national companies having high standard of selection criteria. In addition, the Group of Companies has a policy to continuously improve and develop the quality of the warehouses and services going forward.

1.2 Risk of securing tenants for developing projects and renewal risk for the core existing ones

Most of the Group of Companies' rental business are Built-to-Suit where a contract shall be executed prior to the construction and another, the so called General Warehouse.

For Built-to-Suit type, lease agreements are entered into prior to construction. Therefore, the risk of unoccupied tenants is low and most of tenants are likely to renew the contract as there has been the discussion between the Group of Companies and tenants at the outset. In addition, the Group of Companies focuses on design, construction and service to provide the highest benefits to customers and draw satisfaction and confidence to the Group of Companies. Further, cost of relocation is considered high. The risk of tenants deciding not to extend lease term is therefore low. During the year 2009 to 2014, most tenants of the Group of Companies who are reputable and leading companies (such as Central Retail Corporation, Unilever Thai Trading (Thailand) Co., Ltd., Yusen Logistics (Thailand) Co., Ltd., Hitachi Transport System (Thailand) Co., Ltd., and LF Logistics (Thailand) Co., Ltd.) not only lease the areas under the existing agreements but also continuously expand the leased area with the Group of Companies. Most of them started with lease of general warehouses and subsequently expanded the leased area and switched to built-to-suit warehouses.

Moreover, if the tenants decide not to extend the lease term, the Group of Companies may modify the projects, despite dubbing as the Built-to-Suit type, to meet the need of new tenants. With the advantage of location, quality of construction and system work as well as understanding and in-depth knowledge of the Group of Companies in design and construction management, the Group of Companies is confident that new tenants is able to be procured within the appropriate period of time. In addition, the Group of Companies will have a lead time to procure new tenants as the lease agreements require existing tenants to notify at least 3–12 months in advance.

For the General Warehouse type, there may be risks on securing new tenants because the projects will be developed prior to execution of lease agreement. As at the end of 2014, the Company had completed areas ready for lease of 318,621 sq.m. Approximately 255,462 sq.m. or 80.17% of these areas already secured tenants and were able to recognize income due primarily to some potential tenants who put off their decision. The risk of tenants not renewing the lease term of the General Warehouse projects is quite low. This is because quality of the projects is acceptable to customers and meets their requirements. Further, cost of relocation is relatively high. If any project becomes vacant due to lease term not being renewed, the Group of Companies is flexible to offer the project to another tenant. The Group of Companies focuses on project development and gives priority to project locations. As of the end of 2014, leased areas of 39,000 sq.m. or 61.75% of the total vacant areas of 63,159 sq.m. are located on Bang-na Trad Road, a prime strategic location. For this reason, the Company is confident that it will not be difficult to secure tenants. The Group of Companies focuses on design and quality of the structure of the project and continues maintaining its high standard. This is evidenced by good feedback prospective tenants.

1.3 Risks on overdue rental payment under lease agreements

The risk arising from overdue rental payment under lease agreements may arise in case customers are negatively affected by an economic and industry downturn or by their business operation that affects their financial status thus, their ability to pay rent. The Group of Companies may be affected by a drop in rental revenue or significant impact on the financial liquidity.

However, the Group of Companies foresees that the impact will be minimal because the key customers are leading and reliable companies having sound financial position. Moreover, the Group of Companies requires tenants to place cash deposit and/or a bank guarantee as security against payment of rental and service fee. A condition in the lease agreements for the projects of Built-to-Suit type provides that in the event of early termination by the tenants, the tenants must pay the Group of Companies compensation of an amount equal to the remaining rental for the remaining period.

1.4 Risk of reliance on the few contractors

The core business of the Group of Companies is to develop projects for rent and sale. The Group of Companies will hire contractors under turnkey contracts to construct in accordance with the pre-agreed design with customers. Over the past, the Group of Companies has a process of selecting well-known contractors under the qualification requirement specified by the Group of Companies to be the short list. However, the contractor who has been awarded over the past has been B.S.Y. Construction Co., Ltd. to construct almost every project as they have been qualified for selection criteria i.e. the quality, construction cost, expertise and experiences, capability to deliver the projects on schedule, as well as after sale service. For the Built-to-Suit projects, the tenants are also involved in the contractor selection process. Therefore, there may be a risk of reliance on B.S.Y. Construction Co., Ltd. For the development of the Group of Companies' projects.

However, the Group of Companies does not have a policy to hire only B.S.Y. Construction Co., Ltd. and always open to work with other contractors who possess the similarly high standard of work. The selection procedures of contractors are systematically and transparently through the bidding process to select an appropriate contractor for each project, except for the case the customers, especially the Built-to-Suit projects customers, or the former customers specifically specify the contractor.

The Group of Companies' business requires a number of factors including source of funds, expertise of identifying land location, design and building layout as well as a good relationship with customers, etc. This is the capability of the Group of Companies on developing high quality projects, not dependent on any contractor. Rather, this is to combine many key considerations and work with customers, contractors and other related organizations. B.S.Y. Construction Co., Ltd. has engaged in the construction business and been widely recognized in the market for more than 20 years. They are not intended to engage in the same business as that of the Group of Companies. In addition, B.S.Y. Construction Co., Ltd. is not a related party of the Group of Companies. The Group of Companies is regarded as their good business partner.

In addition, The Group of Companies entered the Memorandum of Understanding (MOU) with B.S.Y. Construction Co., Ltd. on March 22, 2012 to govern on business collaboration specifying frameworks for cooperation of product development in respect of both quality and price quotation to fulfill customers' need and effectively compete with competitors. Such agreement also provides for applying knowledge for development of products, technical data and/or relevant know-how and benefit for constructing warehouses, distribution centers or factories which shall be jointly owned by the Group of Companies and B.S.Y. Construction Co., Ltd. Moreover, B.S.Y. Construction Co., Ltd. agrees to participate in the bidding process for Built-to-Suit projects when requested by the Group of Companies. B.S.Y. Construction Co., Ltd. agrees not to disclose the technical data and knowledge developed jointly with the Group of Companies, or to use it in construction work of the Company's competitors or to enter into similar business collaboration agreements with competitors of the Group of Companies without consent from the Group of Companies. On the other hand, the Company does not have obligations to hire any specific contractors. Therefore, the Group of Companies may hire any contractors, not necessarily to be B.S.Y. Contractor Co., Ltd. The Group of Companies thus may work with other contractors applying the jointly-developed knowledge to develop projects under the standard specified by the Company for the highest benefit of the Company and tenants without breaching the MOU.

1.5 Risk of land procurement policy for development of projects in the future

The Group of Companies has a land procurement policy focusing on procuring land having potential and able to be developed immediately or in the near future. Therefore, the Group of Companies does not have a policy to purchase lots of land bank without development plans or certainty on availability of tenants. However, due to the higher competition arising from land acquisition or land lease in good locations among other players, the Group of Companies has risks of rising land price or in the event that the Company is unable to purchase land in good locations at the appropriate level. This may cause the Group of Companies to have the higher cost of development of projects or to decide not to invest because the return on the investment may not be in accordance with the criteria specified by the Group of Companies.

However, the Group of Companies has continually prepared a land survey and purchasing plan to be in line with project development. The Group of Companies views that purchase of lots of land bank without development plans or certainty on availability of tenants does not correspond to the business plan of the Group of Companies and may cause problem related to financial liquidity to the Group of

Companies. Therefore, the Group of Companies focuses on land acquisition in the amount consistent to its business plan whereby the land to be purchased must be able to be developed immediately or in the foreseeable future or to be jointly planned with customers for future expansion of customers' projects. The Group of Companies also has a policy to invest in leasehold land for some locations taking into account of feasibility of return on investment. This will give rise the flexibility to secure the land to be mutually agreed and developed for the tenants in the better position than other competitors who may accumulate the lots of landbank. This is also flexible for business expansion of tenants and able to manage the land cost to be at the appropriate level.

1.6 Risk of fluctuation of revenue from sale of assets to the WHAPF or Real Estate Investment Trust (Trust)

The main revenue of the Group of Companies consists of revenue from rental and service fee, and from sale of investment properties. If in any given year, the Group of Companies does not sell its asset to the Fund, the total revenue and profit of the Group of Companies may fluctuate. For example, in 2011 the sale of assets to the Fund was delayed due to the flood crisis in October 2011 causing the total income from normal operation of the Company in 2011 to be at Baht 240.2 mn. However, the sale of assets to the Fund was completed in February 2012. The Company also adjusts its accounting record on the sale of assets to the Fund to record as the sale value of the assets instead of recording only profit from sale of assets. This results that the consolidated financial statements as of December 31, 2012 of the Company which envisaged the total revenue in the amount Baht 2,213.4 mn (recognized as the revenue from sale of assets in the amount of Baht 1,808.9 mn). The sale of assets to the Fund must obtain resolution from the Fund's unitholders. The Company, a unitholder of the Fund, may not vote in this case because of it is a party having interest in this matter. Therefore, there may be a risk of fluctuation of revenue from sale of assets to the Fund.

In 2013, the Company has completed the sale of assets to the Fund in January and November. The Company realized the income from the sale in the total amount of Baht 6,585.0 mn out of the total income of Baht 7,169.0 mn.

However, in 2014, the Fund could not expand its size in accordance with the policy of the regulating authority unless it obtains a resolution to increase its capital before 2014. For this reason, the Company set up a real estate investment trust or Trust to instead purchase assets of the Company. The Company anticipates to regularly recognize this kind of revenue in an appropriate proportion. In 2014, the Company sold 3 warehouse projects, i.e. WHA Mega Logistics Center Bangna-Trad km.18, WHA Mega Logistics Center Bangna-Trad km.23 and the warehouse project in Lardkrabang totalling 167,107.45 sq.m. This enabled the Company to record sales totalling Baht 4,337 mn. out of the total revenues of Baht 5,058 mn. Even though the Company could be exposed to the risk of sale of assets to the Trust, one of the advantages of the Trust over the Fund is that the Trust is allowed to borrow up to 35% of the total asset value and up to 60% of the total asset value if it receives credit rating. Because of this, the Trust is able to lower its capital raising via unitholders. This in turn enables the Company to sell assets at a higher price and enjoy higher gross profit if compared with sale of assets to the Fund as well as lowering the risk of raising capital from the existing unitholders. For the above reasons, the Trust was able to create value added to return to its investors and expand its size better than the Fund could, thus enabling the Trust to have more liquidity and good price performance in the secondary market. The Company expects on-going sales of assets to the Trust. Moreover, the Group of Companies may consider selling assets to interested persons other than the Trust such as tenants of the Projects or other investors, etc.

1.7 Risk of business competition with the Fund or the Trust

The mainstream revenue of the Fund or the Trust derives from leasing out assets invested by Fund. Such assets are the projects similar to those developed by the Group of Companies. The Company is also the property manager and leases out the assets to the Fund or the Trust. Therefore, there is a risk of the conflict of interest between the Group of Companies, the Fund or the Trust in the case that the Group of Companies, the Fund or the Trust has vacant areas at a nearby location required by similar tenants at the same time. The Group of Companies has to offer the Fund's and or the Trust assets to prospect customers in accordance to the agreement under which the Group of Companies agrees not to compete with the Fund and or the Trust within the areas of 20 km. from the Fund's and or the Trust properties throughout the period of time the Company remains the property manager of the Fund and or the Trust.

However, such prospect customers will regularly make decisions based on their own requirements, the criteria of which, for example, are location, size, specification and timeframe. Moreover, most lease agreements of the Group of Companies, the Fund or the Trust will be long-term ones. Most tenants are required to invest in and install equipment and hire labor which, in the event of relocation, will incur relocation cost. In addition, the possibility of the Fund's or the Trust's leasable area become vacant due to the existing tenants not renewing the lease term is quite low because currently, the projects leased by most of tenants of the Fund and or the Trust are the Built-to-Suit type.

The competition between the Group of Companies, the Fund and or the Trust, if any, will be transparent on an arm-length basis. The management of the Group of Companies as both of the project developer for lease and the property manager intends work towards sustainable growth of the Group of Companies, the Fund and or the Trust together.

1.8 Risk of business expansion to lease of office building

The acquisition of SJ Infinite I office building aimed at a rapid jump in business expansion not only to increase the size of the Company but also to improve the degree of income stability from lease of office building. This business will lower the risk of having to rely on income from any particular business. Nevertheless, the purchase of the building affected the Company's operating result and increased risk in a short term. This is because it is a new building and the Company was able to recognize the income gradually only from tenants who have just started to move in while all the costs and expenses were incurred from the date the Company was transferred the right to occupy the building. An example of these expenses was depreciation that must be fully recognized. In addition, the Company bears the risk of locating tenants due to huge supply of office buildings in Vibhavadee area. In 2014, the office building market in this area in general improved continuously due to substantial demand and shortage of quality office buildings, making it insufficient to meet the current demand. The rising demand was attributed to tenants in other office buildings requiring more space and those office buildings are unable to accommodate their need. The new quality building and flexibility in rental negotiations are the key elements making SJ Infinite I Building attractive to companies wishing to relocate to a new and quality building where rental fee is comparable. As of the end of 2014, approximately half of the space in SJ Infinite I building is occupied and Pre-leased. The Group of Companies believes that investment expansion to the lease of office building will contribute to sustainable growth of rental income to the Group of Companies in the long run. It is also a means to diversity risks.

1.9 Risk of natural disasters and accidents

Natural disasters and accidents may cause damage to the Group of Companies' assets including loss of life and properties of staff working in various projects. Most of the Group of Companies' leased out projects are for tenants in the business storage of products which may be sensitive to the flood such as drug, medical materials, consumer products, etc. Therefore, there is a risk to business of tenants/customers of the Group of Companies in the case of occurrence of natural disasters, especially floods, resulting in material adverse effect on business operation of the Group of Companies.

Over the past, The Group of Companies realizes the possibilities of such risk, the Group of Companies pays attention on selecting project location, providing appropriate security systems as well as main roads in the projects to be higher than main public roads in front of the projects or the highest level flood during the past 30 years in such area (whichever is higher) for about 30–50 cm. The building floor in the projects is raised higher than the main road in the project in the project for approximately 0.8–1.5 meters. In addition, the buildings in the projects are designed for constructing a flood barrier with the height of 2 meters from the building floor. It can be seen that no projects of the Group of Companies sustain severed damage from the flood disaster in October 2011 including the warehouse project in Bangpa-In Industrial Estate, Ayutthaya Province which was not materially affected in respect of damage on properties and loss of rental revenue because the rental is still collectable and the tenant does not have tendency to relocate the warehouse or terminate the lease agreement.

Moreover, all of its leasable areas are scattered in different locations, thus diversifying the risk. The Group of Companies also procures insurance covering all damages of natural disaster and accidents for every Project by taking all risk Insurance, which covers all types of risks. After the flooding at the end of 2011, the insurance companies limit the compensation amounts for flood damage differently based on project-by-project depending on location of the project. The Group of Companies will be responsible for repair costs of its Projects damaged by flood if damages exceed the compensation amount as determined by an insurance company. The Group of Company is confident that it has been well planned and created the pre-emptive measures for flooding. Therefore, the likelihood that flooding will hit its Projects that cause the damage over the compensation limit is quite low.

1.10 Risk of Interest Rate Fluctuation

The Group of Companies' operations require high investment. It has loan payable to the financial institutions which has not yet become due in one year. As of the end of 2011, 2012, 2013 and 2014 the total loans amounted to Baht 1,336.2 mn, Baht 2,603.6 mn, Baht 1501.9 and Baht 1,175.7 mn respectively. Such loans bear floating interest rate. If the interest rates in the market rise, it will be obligated to pay higher interest. This will affect and cause the profit of the Group of Companies to decrease.

However, its interest rates on the loans from most of the financial institutions currently are below the minimum lending rate or MLR quoted by such institutions. The financial plan for project development of the Group of Companies does not rely solely on loans from financial institutions for funding, but also from other sources, especially through the stock market and sales of its assets to the Fund or the Trust, the significant sources of funds for the future investment. Given the Company is the listed company on the Stock Exchange of Thailand, the Group of Companies is able to raise funds through the capital market. In 2014, the Company issued debentures in a total amount of Baht 4,500 mn at a fixed rate to lower the risk of interest rate fluctuation. The Company entered into Interest Rate Swap transactions where the fixed interest rate applicable to the 3-year debentures of Baht 1,630 mn was converted to a

floating interest rate (* contract was already cancelled). The interest rates of the 5-year, 5-year and 7-year debentures of Baht 570 mn, Baht 1,110 mn and Baht 600 mn respectively were fixed interest rates and towards the recent years were floating interest rates while the remaining debentures carry fixed interest rates so as to lower the risk of interest rate fluctuation.

1.11 Risk of economic changes, national political changes, and other macro factors

Since most of its customers are multinational companies, the changes of national and global economy will have impact on its customers and income. For example, the global financial crisis and the slowdown of the global economy in 2010 to 2011 could decrease in the production or deferral of the overseas investment. The integration of ASEAN Economic Community (AEC) in 2015, which is intended to create capital and labor movement more freely, may in the future cause the current customers and the target customers decide to relocate their production and investment to another country that can boost their competitive advantages. The domestic political instability, such as political turmoil in 2010, causes negatively image and their interest and confidence to invest in Thailand. Moreover, frequent changes of the government or related working groups cause discontinuity and uncertainty in relation to policies. The Group of Companies may have a Risk of such impact, especially the policies related on investment promotion, or development of industrial areas, etc.

However, Thailand is still attractive to foreign investors who want to invest in South East Asia. The reasons why Thailand remains attractive for investment are that it has relatively higher qualified labor and relatively low wage rate, compared to those in Europe and the United States, including other countries in Asia. In addition, the infrastructure i.e. public utility systems can provide stability. Despite the natural disaster in 2011 in Thailand, the overall investment in Thailand has been able to grow. In 2012, the number of applications for applying for BOI was 2,347 while in 2013 the number of applications slightly decreased to 2,237 despite the political turmoil (source: BOI). The uncertainty of economic conditions turned out to have positive effect on the Group of Companies' business. Since most companies need to reduce their operation cost, they decide to lease or outsource their non-core activities as good alternative in such circumstance. Under the economic and political uncertainty in Thailand, the Group of Companies is able to secure bidding and maintain to grow continually. Its average growth rate of its area under management, including the area of the Fund, is up to 37.1% p.a. during 2006 to the end of 2014 and tends to grow continuously.

* **Remark :** The average growth rate is calculated from the areas under the management of the Group of Companies in 2006 which is 88,913 sq.m. and the areas as of the end of 2014 which is 1,108,740 sq.m. (including the Fund's or the Trust's area and the tenants' pre-leased area).

2. Risks on management

2.1 Risk on having major shareholder influence on the determination of the management policy

Anantaprayoon family consisting of Mr. Somyos and Mrs. Jareeporn Anantaprayoon, including the juristic persons owned by Anantaprayoon family as major shareholders, hold shares in the Company, as of February 13, 2015, at the proportion of approximately 57.7% of the total paid-up capital, and the Anantaprayoon family also serves as the executives and the authorized signatory directors. Therefore, they have power to control the management of the Company as well as almost entirely votes of the shareholders on appointment of the directors or other agendas requiring approval of majority votes in the

shareholders' meeting, except for those matters requiring three fourth of the votes of the shareholders' meeting under the law or Articles of Association. As a result, it is so difficult for other shareholders to cast aggregated votes to investigate and veto agenda proposed by the major shareholders.

However, the management structure of the Company, consisting of the Board of Directors and 5 committees, i.e. the Audit Committee, the Executive Committee, Nomination and Remuneration Committee*, Corporate Governance Committee* and Risk Management Committee* (*the Committees were set up in February 2014 pursuant to the resolution of the Board of Directors held on February 18, 2014), each of which has clear scope of roles and authorities, make the management of the Company transparent and auditable.

In addition, the Company has appointed 4 independent directors to take a role of the Audit Committee members to audit the management of the Board of Directors. The Board of Directors consists of 11 directors, 9 of whom are not Anantaprayoon family members; therefore, they can carefully consider agenda items before proposing them to the shareholders' meeting to certain extent. The Company adheres to the guidelines prescribed by the Board of Directors on the connected transactions or the transactions related to the directors or major shareholders or persons who have controlling power over the internal business operation as well as person with conflict of interest, where those persons have no authority to approve transactions at issue. This can further help reduce this risk in this section.

2.2 Risk on dependence on high expertise staff in business

The Company's business is to design, procure and develop the Projects for rent, which requires knowledge and competence of personnel. These personnel play significant roles and responsibilities on each respect of the work such as defining the market strategies, organizing the contracts and pricing, land sourcing, or the project management, etc. Lack of these personnel will affect the capability of the Group of Companies to secure projects and its performance. However, most of key personnel are shareholders of the Group of Companies. It is unlikely that they would resign or work for competitors. Also, in 2014, the Group of Companies employed more skilled personnel. After listing of its stocks on the Stock Exchange of Thailand, the Group of Companies is more widely known, which help the Group of Companies become attractive and attract competent personnel to work for the Group of Companies. The Group of Company has well human resources management policies and tries to create the knowledge management as learning organization to reduce the dependence on certain individual, as well as, deploy various incentive plans which is consistent and competitive to market to reduce such risks.

Capital Structure

1. The Company's Securities

The Company's registered capital as of December 31, 2014 was Baht 963,892,119 and the paid-up capital was also Baht 963,891,769, divided into 963,892,119 ordinary shares at par value of Baht 1 per share.

Material change of paid-up capital is as follows.

	Registered Capital	Particular	Paid Capital (Increased/Decreased)	Paid-up Capital
17/04/2013	612,000,000	Share Dividend: 5:1	102,000,000	611,998,983
27/08/2013	611,998,983	Capital Decrease	-1,017	611,998,983
18/09/2013	917,998,474	Share Dividend:2:1	305,999,491	917,992,494
30/04/2014	917,992,494	Share Dividend:20:1	45,899,275	963,891,769

2. Shareholding Structure

The shareholders on the shareholders' register as of February 13, 2015 are as follows:

Shareholders	Before offering increased shares	
	Shares	Percent
1. Group of Anantaprayoon		
WHA Holding Co., Ltd. ⁽¹⁾	241,938,990	25.10
Mrs. Jareeporn Anantaprayoon	124,326,255	12.90
Mr. Somyos Anantaprayoon	116,578,912	12.09
UBS AG Hong Kong Branch ⁽²⁾	73,500,000	7.63
Total	556,344,067	57.72
2. Group of Cholkadeedamrongkul		
Mr. Sompong Cholkadeedamrongkul	34,787,500	3.61
Mr. Sompong Cholkadeedamrongkul held by Asset Plus Fund Management	31,020,000	3.22
Mrs. Warunee Cholkadeedamrongkul	4,752,000	0.49
Mr. Pongpat Cholkadeedamrongkul	797,500	0.08
Total	71,357,000	7.41
3. Group of Jarukornsakul		
Mr. Wutt Jarukornsakul	14,025,000	1.46
Ms. Jaruwan Jarukornsakul	3,523,088	0.37
Mr. Thira Jarukornsakul	617,620	0.06
Total	18,165,708	1.89
4. STATE STREET BANK EUROPE LIMITED	67,278,602	6.98
5. Thai NDVR Co., Ltd.	11,533,714	1.20
6. Mr. Nares Ngamapichon	11,000,000	1.14

Shareholders	Before offering increased shares	
	Shares	Percent
7. Ms. Nalinrat Sae Ng	9,170,130	0.95
8. Mrs. Chaleow Srichaiwat	8,700,800	0.90
9. Mr. Surachai Tipanamchai	7,021,575	0.73
10. Mr. Sanchai Suksomcheewin	6,385,500	0.66
Total Top Ten Shareholders	766,957,096	79.57
Other Minority Shareholders	196,934,673	20.43
Grand Total	963,891,769	100.00

Remark : ⁽¹⁾ WHA Holding Co., Ltd. is a holding company. As of March 23, 2012, it has a registered capital of Baht 5,000,000 being 1,000,000 ordinary shares at a par value of Baht 5 per share. The shareholders are listed as follows:

<u>Shareholder</u>	<u>No. of Shares</u>	<u>%</u>
Mr. Somyos Anantaprayoon	500,000	50.0
Mrs. Jareeporn Anantaprayoon	499,999	50.0
Ms. Jaruwan Jarukornsakul	1	0.0
Total	1,000,000	100.0

⁽²⁾ UBS AG Hong Kong Branch is a securities company incorporated in Hong Kong, and the beneficiaries of the shares held by it are Mr. Somyos and Mrs. Jareeporn Anantaprayoon.

3. Other Securities

3.1 Debentures

As of December 31, 2014, the Company has Baht 7,200 mn debentures, the details of which are as follow:

	Debentures No. 1/2013		
	1 st Tranche of Debentures due for redemption in 2016	2 nd Tranche of Debentures due for redemption in 2017	3 rd Tranche of Debentures due for redemption in 2018
Type of Debentures	Senior and unsecured named debentures, without Debentureholders Representative in 3 Tranches		
Underwriter	Siam Commercial Bank Public Company Limited		
Nominal value	Baht 1,000		
Offered price	Baht 1,000		
Total issue size	Baht 1,630,000,000	Baht 500,000,000	Baht 570,000,000
No. of units	1,630,000	500,000	570,000
Tenure	3 years from issuance date	4 years from issuance date	5 years from issuance date
Issue date	September 20, 2013		
Maturity date	September 20, 2016	September 20, 2017	September 20, 2018
Coupon rate	4.24 % p.a.	4.55 % p.a.	4.84 % p.a.
Interest payment	semi-annually	semi-annually	semi-annually
Early redemption	None		
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2013		

	Debentures No.1/2014 1st Tranche of Debentures due for redemption in 2017
Type of Debentures	Senior and unsecured named debentures, without debentureholders representative in 1 Tranche
Underwriter	Siam Commercial Bank Public Company Limited and Kasikorn Bank Public Company Limited
Nominal value	Baht 1,000
Offered price	Baht 1,000
Total issue size	Baht 500,000,000
No. of units	500,000
Tenure	3 years from issuance date
Issue date	February 27, 2014
Maturity date	February 27, 2014
Coupon rate	4.01 % p.a.
Interest payment	semi-annually
Early redemption	None
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2013

	Debentures No. 2/2014	
	1st Tranche of Debentures due for redemption in 2017	2nd Tranche of Debentures due for redemption in 2019
Type of Debentures	Senior and unsecured named debentures, without Debentureholders Representative in 2 Tranches	
Underwriter	Siam Commercial Bank Public Company Limited	
Nominal value	Baht 1,000	Baht 1,000
Offered price	Baht 1,000	Baht 1,000
Total issue size	Baht 700,000,000	Baht 1,110,000,000
No. of units	700,000	1,110,000
Tenure	3 years from issuance date	5 years from issuance date
Issue date	May 29, 2014	May 29, 2014
Maturity date	May 29, 2017	May 29, 2018
Coupon rate	3.75 % p.a.	4.42 % p.a.
Interest payment	semi-annually	
Early redemption	None	
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2013	

	Debentures No. 3/2014			
	1 st Tranche of Debentures due for redemption in 2017	2 nd Tranche of Debentures due for redemption in 2019	3 rd Tranche of Debentures due for redemption in 2021	2 nd Tranche of Debentures due for redemption in 2024
Type of Debentures	Senior and unsecured named debentures, without Debentureholders Representative in 4 Tranches			
Underwriter	Siam Commercial Bank Public Company Limited and Asia Plus Securities Public Company Limited			
Nominal value	Baht 1,000			
Offered price	Baht 1,000			
Total issue size	Baht 435,000,000	Baht 385,000,000	Baht 600,000,000	Baht 280,000,000
No. of units	435,000	385,000	600,000	280,000
Tenure	3 years from issuance date	5 years from issuance date	7 years from issuance date	10 years from issuance date
Issue date	July 31, 2014			
Maturity date	July 31, 2017	July 31, 2019	July 31, 2021	July 31, 2024
Coupon rate	3.85 % p.a.	4.40 % p.a.	4.70 % p.a.	5 % p.a.
Interest payment	semi-annually	semi-annually	semi-annually	semi-annually
Early redemption	None	None	None	The Company may redeem the Debentures prior to the maturity date
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2014			

	Debentures No.4/2014 1 st Tranche of Debentures due for redemption in 2017
Type of Debentures	Senior and unsecured named debentures, without debentureholders representative in 1 Tranche
Underwriter	Asia Plus Securities Public Company Limited
Nominal value	Baht 1,000
Offered price	Baht 1,000
Total issue size	Baht 200,000,000
No. of units	200,000
Tenure	2 years 11 months and 12 days from issuance date
Issue date	October 13, 2014
Maturity date	September 25, 2017
Coupon rate	3.85 % p.a.
Interest payment	semi-annually
Early redemption	None
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2014

	Debentures No.5/2014 1st Tranche of Debentures due for redemption in 2018
Type of Debentures	Senior and unsecured named debentures, without debentureholders representative in 1 Tranche
Underwriter	PJK Capital Company Limited
Nominal value	Baht 1,000
Offered price	Baht 1,000
Total issue size	Baht 290,000,000
No. of units	290,000
Tenure	4 years from issuance date
Issue date	November 25, 2014
Maturity date	November 25, 2018
Coupon rate	4.00 % p.a.
Interest payment	semi-annually
Early redemption	None
Credit rating by Fitch Rating (Thailand) Co., Ltd.	A- (tha) as of July 2014

3.2 Bill of Exchange

None

4. Dividend Payment Policy

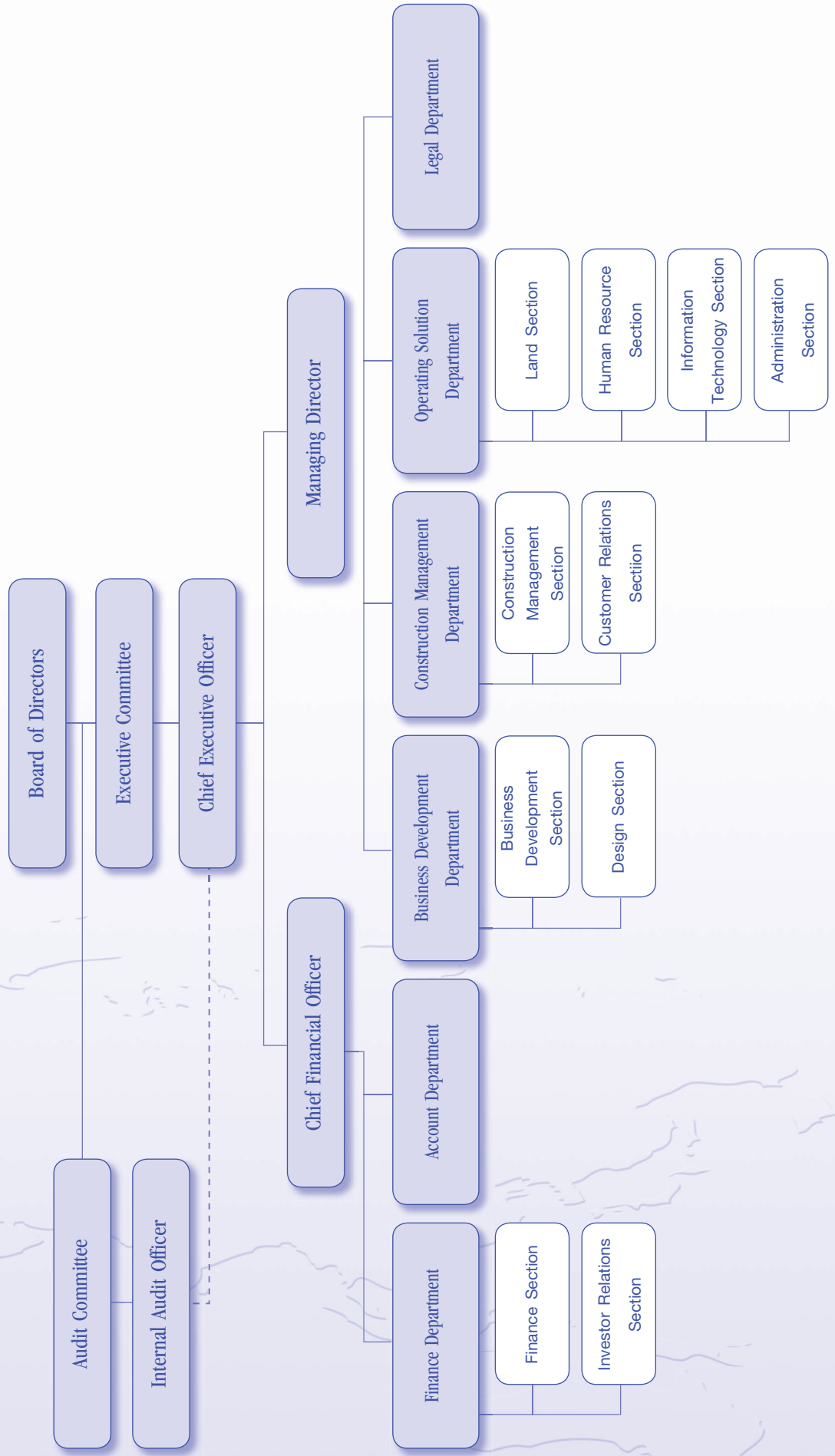
The Company has a policy to pay out dividends at not less than 40.0% of its net profits stated on the company financial statements after deduction of the corporate income tax and legal reserve each year. The Company considers dividend payment based on factors that deem to be the most beneficial to the shareholders such as the Company's performance and financial status, investment plans in each period as deemed reasonable or appropriate by the Board of Directors. The dividend payment shall not have significant impact on the Company's normal operation. The resolution of the Board of Directors on dividend payment has to be proposed to the shareholders for approval, except payment of the interim dividends where the Board of Directors has its authority to approve and then report the same to the next shareholders' meeting.

Its subsidiaries have a policy to pay out dividends at no less than 20.0% of their net profits stated on their respective company financial statements after deduction of the corporate income tax and legal reserve each year. For dividend payment purposes, relevant factors will be taken into account to maximize the shareholder benefit, such as the subsidiary's performance and financial status, investment plans in each period as deemed reasonable or appropriate by the Board of Directors of the subsidiaries. The dividend payment shall not have significant impact on the subsidiaries' normal operation. The resolution of the Board of Directors of its subsidiaries on dividend payment has to be proposed to the shareholders for approval.

The Company's Management Structure

1. The Company Structure

The Company structure as of December 31, 2014 is as follows:



The Company's management structure consists of six Board and committees namely:

1. The Board of Directors
2. The Executives Committee
3. The Audit Committee
4. The Nomination and Remuneration Committee
5. The Corporate Governance Committee
6. The Risk Management Committee

There were appointed pursuant to the resolution of the Board of Directors Meeting No. 1/2557 held on February 18, 2014 to perform their duties after the appointment.

1.1 The Board of Directors

The Company's Board of Directors as of December 31, 2014 consisted of 11 directors as follows:

Name	Position	Board of Directors' Meeting	
		No. of Meetings	No. of Attended Meeting
1. Mr. Somyos Anantaprayoon	Chairman	7	7
2. Mrs. Jareeporn Anantaprayoon	Director	7	7
3. Mr. Surathian Chakthranont	Director	7	6
4. Mr. Jakrit Chaisanit	Director	7	7
5. Mr. Arttavit Chalernsaphayakorn	Director	6	6
6. Mr. Narong Kritchanhai	Director	7	7
7. Mr. Somsak Boonchoyruengchai	Director	7	7
8. Dr. Pichit Akrathit	Independent Director and Chairman of Audit Committee	7	7
9. Dr. Apichai Boontheerawara	Independent Director and Audit Committee Member	6	5
10. Dr. Somsak Pratomsrimek	Independent Director and Audit Committee Member	7	7
11. Dr. Kritsana Sukboonytasatit	Independent Director and Audit Committee Member	7	7

Remark : Dr. Apichai Boontheerawara and Mr. Arttavit Chalernsaphayakorn were appointed and registered as company directors on April 29, 2014

Company Secretary : Mr. Kasamsi Sakunchaisiriwit

Authorized Directors

The Directors who have authority to sign for binding the Company are Mr. Somyos Anantaprayoon and Mrs. Jareeporn Anantaprayoon jointly sign with any one of Mr. Jakrit Chaisanit, Mr. Arttavit Chalernsaphayakorn, Mr. Narong Kritchanhai or Mr. Somsak Boonchoyruengchai, altogether 3 persons, with the Company's seal affixed.

Scope of Authorities and Responsibilities of the Board of Directors

1. To perform their duties in compliance with laws, rules, regulations or notification of the Securities and Exchange Commission of Thailand, the Capital Market Supervisory Board, and the Stock Exchange of Thailand that relate to the Company's objectives, the Articles of Association, the resolutions of the Board of Directors and the resolutions of the shareholders' meeting with their accountabilities, carefulness, and integrity;
2. To determine details and approve the Company's vision, business strategies, business direction, business policies, goal, guidelines, strategic plans, and budgets of the Company and its subsidiaries that prepared by the Executive Committee and the Executive.
3. To monitor the Executive and operation of the Executive Committee, Chief Executive Officer, the Executive, or any persons who take responsibilities and such duties in accordance with the Company's policies determined by the Board of Directors;
4. To constantly follow up the Company's performance to be in compliance with the operating plan and budget of the Company;
5. To procure the Company and its subsidiaries to apply appropriate and efficient accounting systems, and to provide internal control and internal audit systems;
6. To arrange the preparation of balance sheet and income statements at the end of the Company's fiscal year and certify such statements in order to propose to the shareholders at the annual general shareholders' meeting for their approval;
7. To consider and approve the selection and appointment of the Company's auditor, and the appropriate audit fee proposed by the Audit Committee prior to propose to the shareholders at the annual general shareholders' meeting for approval;
8. To prepare policy in relation to good corporate governance principle in writing and efficiently apply such policy to ensure that the Company be fairly responsible to all relevant group of persons;
9. To consider and approve the appointment of person who has qualification and is not prohibited under the Public Limited Company Act, B.E. 2535 (as amended), the Securities Exchange Act, B.E. 2535 (as amended), including other relevant notifications, regulations and/or rules to substitute a vacancy in the Board of Directors for reasons other than the termination of the term of office, and to consider and approve the appointment of the director to replace the one retiring by rotation, and determine the director's remunerations as proposed by the Remuneration and Nomination Committee in order to propose the shareholders in the annual general shareholders' meeting for approval;
10. To appoint sub-committee such as the Audit Committee, the Executive Committee, the Corporate Governance Committee, the Remuneration and Nomination Committee, the Risk Management Committee, or other committee, including determining their duties and authorities in order to support the Board of Directors' management;
11. To determine and change the director's name who has authority to sign for binding the Company;
12. To consider and appoint the Executive as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, and the Company Secretary, including determining their remuneration;
13. To seek profession opinions from external organizations if necessary for making appropriate decision;
14. To support the Company's Directors and Executive to attend any seminars held by Thai Institute of Directors on the program of Duties and Responsibilities of the Directors and the Executive.

The assignment of authorities and responsibilities of the Board of Directors shall not cause the Board of Directors or the sub-authorized person to be entitled to approve the transaction where itself or a person who has a conflict of interest (as defined in the Notification of the Securities and Exchange Commission or the Notification of the Capital Market Supervisory Board) may have interests or other types of benefit or conflict of interests with the Company or its subsidiaries, except the transaction was approved in compliance with the policy and principle approved by the shareholders meeting or the Board of Directors' meeting.

1.2 The Executive Committee

The Executive Committee as of December 31, 2014 consisted of 6 members as follows:

Name	Position
1. Mr. Somyos Anantaprayoon	The Chairman of the Executive Committee
2. Mrs. Jareeporn Anantaprayoon	The Executive Committee Member
3. Mr. Jakrit Chaisanit	The Executive Committee Member
4. Mr. Artavit Chalernsaphayakorn	The Executive Committee Member
5. Mr. Narong Kritchanchai	The Executive Committee Member
6. Mr. Somsak Boonchoyruengchai	The Executive Committee Member

Scope of Authorities and Responsibilities of the Executive Committee

- To screen the Company's business plan and budget prior to propose to the Board of Directors for approval;
- To screen the Company's policies and operation measurement prior to propose to the Board of Directors for approval;
- To give opinion, advice and consider to approve the matters relating to the Company's normal business operation under the amount or annual budget approved by the Board of Directors or to perform any activities assigned by the Board of Directors;
- To consider and approve specific matters or operations within the following amount:
 - To approve the execution of the Company's project under the following conditions:
 - The total investment in each project shall not exceed Baht 500,000,000;
 - The building to be constructed in the project shall not over 20,000 square meters.
 - To approve the purchase of land in the amount not exceeding Baht 100,000,000 per time.
 - To approve the engagement of contractor for the purpose of constructing warehouse or factory in the amount not exceeding Baht 400,000,000 per time.
 - To approve the purchase of construction materials or others for the purpose of constructing warehouse or factory in the amount not exceeding Baht 100,000,000 per time.
 - To approve the payment for the contractor's remuneration and account payables of construction materials in the amount not exceeding Baht 400,000,000 per time.
 - The investment in securities within market's demand in the amount not exceeding Baht 10,000,000 per time.
 - The borrowing money for expenses on normal business operation, marketing, purchasing, or asset investment in the amount not exceeding Baht 400,000,000 per time.
- To appoint or terminate the Company's Executive or employee at the level of department manager upward, including to determine their compensation.
- To coordinate and follow up the Company's operation with the Executive in normal business operation to be in compliance with the Company's business plan and budget.
- To implement and conduct the Company's business as assigned by the Board of Directors.

1.3 The Audit Committee

The Audit Committee as of December 31, 2014 consisted of 4 members as follows:

Name	Position
1. Dr. Pichit Akrathit	The Chairman of the Audit Committee and Independent Director
2. Dr. Apichai Boontheerawera	The Audit Committee Member and Independent Director
3. Dr. Somsak Pratomsrimek	The Audit Committee Member and Independent Director
4. Dr. Kritsana Sukboonyasatit	The Audit Committee Member and Independent Director

Remark : Dr. Apichai Boontheerawara was appointed and registered as company director on April 29, 2014

The secretary of the Audit Committee is Ms. Patsanan Jarukornsakul.

The notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares provides a number of qualifications of independent directors and audit committee member. The relevant provision is:

- (d) Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office.

In the case where the person appointed by the applicant as independent director has or used to have a business relationship or provide professional services exceeding the value specified under (d) of the first paragraph, the applicant shall be granted an exemption from such prohibition only if the applicant has provided the opinion of the company's board of directors indicating that, by taking into account the provision in Section 89/7, the appointment of such person does not affect performing of duty and expressing of independent opinions. The following information shall be disclosed in the notice calling the shareholders meeting under the agenda for the appointment of independent directors:

- The business relationship or professional service which makes such person's qualifications not in compliance with the prescribed rules;
- The reason and necessity for maintaining or appointing such person as independent director;
- The opinion of the applicant's board of directors for proposing the appointment of such person as independent director.

The Board of Directors' meeting no. 3/2012 held on July 20, 2012, and the extraordinary shareholders' meeting no. 1/2012 held on August 9, 2012, resolved that the appointment of Dr. Pichit Akrathit did not have any impact on his performance and independent opinion having details as follows:

Dr. Pichit Akrathit was the Managing Director of MFC Asset Management PCL. ("MFC PCL") during the year 2002 to December 17, 2010. MFC PCL was the founder and fund manager of MFC WHA Premium Factory and Warehouse Property Fund to which the Company sold the asset in December 2010, for a certain period before it changed the Asset Management Company into Kasikorn Asset Management Co., Ltd. At present, Dr. Pichit Akrathit resigned from MFC PCL on December 17, 2010. The Fund as managed by MFC PCL purchased the Company's assets in December 2010. Therefore, the Fund is the entity who has business relationship with the Company. However, MFC PCL, the fund manager of the Fund, was responsible to manage the Fund for the

benefit of the every Fund's unitholders and to comply with the fund project approved by the Securities and Exchange Commission (the "Fund Project"), the Notification of the Securities and Exchange Commission, the Capital Market Supervisory, and the Stock Exchange of Thailand, including the Securities Exchange Act, B.E. 2535 (as amended) ("relevant regulations"). Moreover, Dr. Pichit Akrathit has knowledge, competence, and experiences on economic with companies and institutions, and is the honorable director of several institutions. At present, he does not work for MFC PCL. The Board of Directors viewed that Dr. Pichit Akrathit was independent on the position of the Independent Director and the Audit Committee. There was no fact or event to interrupt his independent decision, including no other cause that made him not to give opinion independently for the Company's operation.

Dr. Somsak Pratomsrimek is one of the Audit Committee member who has knowledge and experience in financial statement audit, and is a certified public accountant having accounting and finance expertise

Scope of Authorities and Responsibilities of the Audit Committee

1. To review for the accuracy and sufficiency of the Company's financial reporting;
2. To review for appropriateness and efficiency of the Company's internal control system and internal audit system and to consider the independence of the internal control section, including to give opinion on appointment, relocation, termination of the head of the internal control section and/or engagement of the internal audit company or other sections responsible for the internal audit;
3. To review and ensure that the Company complies with the Securities and Exchange laws, the regulations of the Stock Exchange of Thailand, and other law relating to the Company's business;
4. To consider, select and nominate a candidate who is independent to be the Company's auditor and propose its audit fee, as well as to attend the meeting at least once a year with the auditor without attending of the Executive;
5. To consider the connected transactions or any transactions having a conflict of interests to be in compliance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and of ultimate benefit to the Company;
6. To provide the Audit Committee's report and disclose it in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and consist of the following information as a minimum:
 - (1) The opinion on the accuracy, completeness, and reliability of the Company's financial reports
 - (2) The opinion on the sufficiency of the internal control of the Company
 - (3) The opinion on compliance with the Securities and Exchange laws and regulations of the Stock Market of Thailand, or other law relating to the Company's business
 - (4) The opinion on appropriateness of the auditor
 - (5) The opinion on the transactions that may have conflict of interest
 - (6) The number of the Audit Committee's meeting and the meeting attending of each Audit Committee
 - (7) The overall opinion or remark that the Audit Committee obtained from performing its duties according to the charter
 - (8) Other transactions as deemed that shareholders and general investors should be informed under the scope of duties and responsibilities assigned by the Board of Directors

7. In performing the Audit Committee's duties, if it is found or suspected that there is the following transaction or action which may materially affect to the Company's financial status and performance, the Audit Committee shall report to the Board of Directors of the Company in order to remedy within the period as the Audit Committee deems appropriate.

- (1) A transaction having a conflict of interest
- (2) A fraud or irregularity or major defect on the internal control system
- (3) Violation of the Securities and Exchange laws, regulations of the Stock Exchange of Thailand, or law relating to the Company's business

If the Board of Directors or the Executives do not remedy within the above period, any of the Audit Committee member may report that there is such above mentioned transaction or action to the Securities and Exchange Commission and the Stock Exchange of Thailand.

8. To perform any other acts assigned by the Board of Directors, with the consent of the Audit Committee

1.4 Nomination and Remuneration Committee

As of February 18, 2014, the Board of Directors appointed the Nomination and Remuneration Committee, consisting of 3 members as follows.

Name	Position
1. Dr. Pichit Akrathit	Chairman of the Nomination and Remuneration Committee
2. Dr. Somsak Pratomsrimek	Nomination and Remuneration Committee Member
3. Dr. Kritsana Sukboonyasatit	Nomination and Remuneration Committee Member

Scope of Authorities and Responsibilities of the Nomination and Remuneration Committee

1. To consider structure, size and component of the board of directors of the Company to be appropriate to the organization and in line with changing circumstances.
2. To consider the rules for nomination of directors, chief executive officer as well as nominating and screening qualified persons to serve as directors or chief executive officer for approval by the board of directors.
3. To give opportunity to the minority shareholders with sufficient period of time to nominate a list of persons to be nominated as directors prior to the shareholders' meeting.
4. To have the succeeding plan for the chief executive officer and top management by constant review.
5. To consider strategy and policy on human resource to be in line with the business operation of the Company.
6. To propose rules and guideline for fixing the remuneration of directors, committee, senior management which are clear, fair and appropriate in accordance with their responsibility and propose them to the board of directors for consideration.
7. To improve the policy and structure on management of remuneration of the directors of the Company, the committee, top management to be consistent with the labor market condition at that time for further proposing it to the board of directors for consideration.
8. To determine the target and evaluate the performance of the chief executive officer for further review of the appropriateness for fixing the remuneration and to further propose it to the board of directors for consideration.

The Nomination and Remuneration Committee shall comprise at least 3 members and each of them shall have the 3-year term. After expiration of the term, it may be considered for renewal of the term.

1.5 Corporate Governance Committee

As of February 18, 2014, the Board of Directors appointed the Corporate Governance Committee, consisting of 4 members as follows.

Name	Position
1. Mr. Somsak Boonchoyruengchai	Chairman of the Corporate Governance Committee
2. Mr. Jakrit Chaisanit	Corporate Governance Committee
3. Mr. Arttavit Chalermasaphayakorn	Corporate Governance Committee
4. Dr. Somsak Pratomsrimek	Corporate Governance Committee

Scope of Authorities and Responsibilities of the Corporate Governance Committee

1. To consider, review and revise the policy on corporate governance and propose the same to the Board of Directors for consideration and approval. This policy is to be prepared in writing and adopted as guidelines for good practice.
2. To consider, review and revise the code of conduct and to prepare it in writing.
3. To set and plan the policy on social corporate responsibility.
4. To act as representative of the Company in communicating and conducting activities regarding the corporate governance with the management, officers and outside organizations.
5. To follow up, review and improve the performance to be in accordance with the designated plan and to prepare quarterly summary report to the Corporate Governance Committee.

The Corporate Governance Committee shall comprise at least 3 members and each of them shall have the 3-year term. After expiration of the term, it may be considered for renewal of the term.

1.6 Risk Management Committee

As of February 18, 2014, the Board of Directors appointed the Risk Management Committee, consisting of following 3 members.

Name	Position
1. Mr. Surathian Chakthranont	Chairman of Risk Management Committee
2. Dr. Somsak Pratomsrimek	Risk Management Committee Member
3. Dr. Kritsana Sukboonyasatit	Risk Management Committee Member

Scope of Authorities and Responsibilities of Risk Management Committee

1. Study, review and evaluate risks as well as tendency which may affect organization as well as inside and outside risk of the Company
2. Set policy on risk management to be submitted to the Board of Directors
3. Review risk, follow up and evaluate sufficiency, efficiency and productivity of overall risk management
4. Give advice and approval for the organization's risk management

Risk Management Committee consists of 3 directors. Each of them will have 3 year term but such term is renewable.

2. Executives

The Company's executives as of December 31, 2014 consisted of 5 persons as follows:

Names	Position
1. Mr. Somyos Anantaprayoon	Chief Executive Officer
2. Mrs. Jareeporn Anantaprayoon	Managing Director and Acting Director of Business Development Department
3. Mr. Arttavit Chalermasaphayakorn	Chief Financial Officer
4. Mr. Jakrit Chaisanit	Director of Construction Management Department
5. Mr. Somsak Boonchoyruengchai	Director of Accounting Department and Acting Director of Operating Solutions Department

Scope of authorities and duties of Chief Executive Officer

1. To supervise the Company's overall operation to be in accordance with the business objectives of the Company and those assigned from the Board of Directors;
2. To provide strategies and business plans to be proposed to the Board of Directors and implement to achieve the goal specified in the strategies and business plans approved by the Board of Directors;
3. To take actions and perform duties as assigned by the Board of Directors and as per the policies of the Board of Directors;
4. To give orders, issue regulations, make announcement and record in order to perform the work to be in accordance with the policies;
5. To approve and/or grant power for doing juristic acts binding the Company for normal transactions of the Company, including transactions the Chief Executive Officer is authorized from the Board of Directors to take action as well as any transactions not directly binding the Company's assets;
6. To coordinate with the executives and staff to perform in accordance with the policies and business direction given by the Board of Directors;
7. To seek for business opportunity on banking investment, securities, investment, business consultant, financial and accounting consultant, investment consultant, and new business to increase revenue to the Company and staff;
8. To consider taking the Company's rights and properties to create obligations with persons, companies, partnerships, shops or financial institutions for proposing to the Board of Director for approval;
9. To approve payment of expenditure for normal operation in the amount approved by the Board of Directors;
10. To approve investment in equity instruments and securities for the Company's account in the amount approved by the Board of Directors;
11. To approve in principle of investment for business expansion as well as joint investment with other business operator and propose to the Board of Directors for approval in the next meeting;
12. To approve payment for significant investment set forth in the annual budget or those approved in principle by the Board of Directors;
13. To take care of working of employees to be in accordance with the policies, regulations, and the corporate good governance;
14. To support development of employees' knowledge and capacity to enhance the organization's capability;
15. To appoint consultant necessary to the Company's operation;

16. To approve related transactions being on an arm-length basis such as sale and purchase goods at market price, service fees at the normal rate and giving credit terms similar to general customers, etc. under to the policies approved by the Board of Directors;
17. To appoint, transfer, or terminate employees in the level not requiring approval from the Executives Committee; and
18. To perform other work as assigned by the Board of Directors on a case by case basis. The Chief Executive Officer does not have authority to approve related transactions not being on an arm-length basis, transactions of acquisition and disposition of the Company's major assets, and/or the transactions with the Company and its subsidiaries in which the Chief Executive Officer or a person possibly conflict having interest and having conflict of interest in any nature, except for transactions being on an arm-length basis where the policies and conditions are provided and approval is granted in accordance with the policies and conditions approved by the Board of Directors and endorsed by the shareholders for entering into related transactions and transactions acquisition and disposition of major assets of the Company or its subsidiaries to be in accordance with the rules and regulations of the Stock Exchange of Thailand.

The Chief Executive Officer has authority to approve spending in specific cases or actions in the amounts as follows:

- (a) Approval of investment fund in an amount of not exceeding Baht 210,000,000 per project
 - Approval on purchase of raw land in an amount of not exceeding Baht 10,000,000 on each occasion
 - Approval on hiring contractors for the objectives of constructing warehouses or factories in an amount of not exceeding Baht 200,000,000 on each occasion
- (b) Approval on purchase of construction materials and others for constructing warehouses or factories in an amount of not exceeding Baht 50,000,000 on each occasion
- (c) Approval of payment of contractors' remuneration and creditors of construction materials in an amount of not exceeding Baht 200,000,000 on each occasion
- (d) Approval of loans to be expense on normal business operation, marketing, purchase, investment in assets in an amount of not exceeding Baht 200,000,000 on each occasion

3. The Company's Secretary

The Company appointed Mr. Kasamsi Sakunchaisiriwit as the Company Secretary since May 25, 2012. Mr. Kasamsi Sakunchaisiriwit has appropriate qualifications, experience, knowledge, business understanding and laws. He is therefore capable of providing legal advice on duties and responsibilities of directors to Board of Directors.

Scope of authorities and duties of the Company Secretary

1. To provide preliminary suggestion to directors in respect of laws, rules and regulations
2. To provide advice on holding of shareholders' meeting in accordance with laws, regulations and guideline and prepare an invitation notice for shareholders' meeting
3. To record minutes of shareholders' meeting and directors' meeting and follow up compliance with shareholders' meeting and board of directors' meeting
4. To prepare and safe-keep the following documents:
 - (a) The register of director
 - (b) The invitation of meetings of the Board of Directors, minutes of meetings of the Board of Directors and the Company's annual report
 - (c) The invitation of meetings of shareholders and minutes of meetings of shareholders

5. To safe-keep reports of conflicts of interest reported by the directors or the executives
6. To procure disclosure of information and information memorandum to the public in accordance with laws and regulations
7. To perform other acts as specified by of the Capital Market Supervisory Board

4. Director and Executive Remunerations

4.1 Director Remuneration

In the 2012 fiscal year ended December 31, 2012, the Company paid a total remuneration of Baht 3,223,000 to nine directors in the form of meeting allowance and position allowance.

In the 2013 fiscal year ended December 31, 2013, the Company paid a total remuneration of Baht 11,455,000 to 9 directors in the form of meeting allowance, position allowance, director remuneration.

In the 2014 fiscal year ended December 31, 2014, the Company paid a total remuneration of Baht 7,814,000 to 11 directors in the form of meeting allowance, annual remuneration and position allowance.

Set out below is the table of the remunerations paid by the Company to the Directors.

Name	Meeting Attendance in 2014	
	Board of Directors Meeting	Audit Committee Meeting
Mr. Somyos Anantaprayoon	7/7	–
Mrs. Jareeporn Anantaprayoon	7/7	–
Mr. Surathian Chakthranont	6/7	–
Mr. Jakrit Chaisanit	7/7	–
Mr. Arttavit Chalernsaphayakorn	6/6	–
Mr. Narong Kritchanchai	7/7	–
Mr. Somsak Boonchoyruengchai	7/7	–
Dr. Pichit Akrathit	7/7	6/6
Dr. Apichai Boontheerawara	5/6	4/5
Dr. Somsak Pratomsrimek	7/7	6/6
Dr. Kritsana Sukboonyasatit	7/7	6/6

Remark : Dr. Apichai Boontheerawara and Mr. Arttavit Chalernsaphayakorn were appointed and registered as company directors on April 29, 2014

(Unit: Thousand Baht)

Name	Fiscal Year 2012				Fiscal Year 2013					Fiscal Year 2014				
	Position Allowance	Meeting Allowance	Meeting Allowance for Director	Total	Position Allowance	Meeting Allowance for Director	Meeting Allowance for Audit Committee Member	Director Remuneration	Total	Position Allowance	Meeting Allowance	Meeting Allowance for Director	Director Remuneration	Total
Mr. Somyos Anantaprayoon	80	280	–	360	120	370	–	930.75	1,420.75	120	200	–	527.14	847.14
Mrs. Jareeporn Anantaprayoon	80	220	–	300	120	270	–	796.16	1,186.16	120	105	–	474.43	699.43
Mr. Surathian Chakthranont	80	295	–	375	120	270	–	796.16	1,186.16	120	90	–	474.43	684.43

Name	Fiscal Year 2012				Fiscal Year 2013					Fiscal Year 2014				
	Position Allowance	Meeting Allowance	Meeting Allowance for Director	Total	Position Allowance	Meeting Allowance for Director	Meeting Allowance for Audit Committee Member	Director Remu-neration	Total	Position Allowance	Meeting Allowance for Director	Meeting Allowance for Audit Committee Member	Director Remu-neration	Total
Mr. Jakrit Chaisanit	80	205	-	285	120	255	-	796.16	1,171.16	120	105	-	474.43	699.43
Mr. Arttavit Chalerm-saphayakorn	-	-	-	-	-	-	-	-	-	80	90	-	294.72	464.72
Mr. Narong Kritchanchai	80	245	-	325	120	270	-	796.16	1,186.16	120	105	-	474.43	699.43
Mr. Somsak Boonchoy-ruengchai	80	220	-	300	120	270	-	796.16	1,186.16	120	105	-	474.43	699.43
Dr. Pichit Akrathit	80	320	138	538	120	370	220	796.16	1,506.16	120	190	132	474.43	916.43
Dr. Apichai Boontheerawara	-	-	-	-	-	-	-	-	-	80	75	60	294.72	509.72
Dr. Somsak Pratomsrimek	80	225	90	395	120	255	150	796.16	1,321.16	120	105	90	474.43	789.43
Dr. Kritsana Sukboonyasatit	80	175	90	345	120	240	135	796.16	1,291.16	120	120	90	474.43	804.43
Grand Total	720	2,185	318	3,223	1,080	2,570	505	7,300	11,455	1,240	1,290	372	4,912	7,814

Remarks :

1. Mr. Somyos Anantaprayoon and Mrs. Jareeporn Anantaprayoon have been the Directors since the registration date of the Company's establishment. While Mr. Surathian Chakthranont, Mr. Jakrit Chaisanit, Narong Kritchanchai, and Mr. Somsak Boonchoyruengchai were additionally appointed and registered to be the Directors on November 22, 2011.
2. Dr. Pichit Akrathit, Dr. Somsak Pratomsrimek, and Dr. Kritsana Sukboonyasatit were appointed and registered to be the Directors on February 14, 2012.
3. Dr. Apichai Boontheerawara and Mr. Arttavit Chalerm-saphayakorn were appointed and registered as company directors on April 29, 2014.

The 2014 Annual General Meeting in held on April 28, 2014 resolved to approve the 2014 remuneration for members of the Board and committees as follows:

1. Meeting allowance and position allowance for directors of an aggregate amount not exceeding Baht 6,600,000;
2. Remunerations for the Audit Committee members (in addition to the director remuneration) are as follows:
 - 2.1 The Chairman of the Audit Committee shall receive the meeting allowance of Baht 25,000 per meeting.
 - 2.2 Each Audit Committee member shall receive the meeting allowance of Baht 15,000 per meeting.

4.2 Executive Remuneration

In 2012, 2013, and 2014, the Company paid the remuneration to the Executives as salary and bonus in the total amounts of approximately Baht 24.1 mn, Baht 30.1 mn, and Baht 33.53 mn respectively.

Set out below is the table of the remunerations paid by the Company to the Executives.

	2012		2013		2014	
	Number of Persons	Remuneration Amount (Baht mn)	Number of Persons	Remuneration Amount (Baht mn)	Number of Persons	Remuneration Amount (Baht mn)
Executive remuneration	6	24.1	6	30.1	5	33.53

Remark : Mr. Thanaphatr Anantaprayoon resigned from Acting Director of Operating Solutions Department on April 26, 2014

4.3 Other Remunerations

– None –

5. Personnel

As of December 31, 2014, the Company employed 62 staff members.

WHA Corporation Public Company Limited	Number of persons
Executive	5
Business Development Department	9
Construction Management Department	13
Finance and Account Department	12
Operating Solution Department	19
Legal Department	2
Secretary Department	2
Total	62

5.1 Change of number of key officers during the past 7 years (excluding executive)

As the Company has been substantially expanding for the past one year period, capable and potential personnel has been recruited. As of December 31, 2014, there were 57 officers in total (excluding executives). As of December 31, 2013, there were 47 officers in total (excluding executives).

5.2 Material labor dispute during the past 3 years

–None–

5.3 Remuneration of personnel (excluding executive)

Officers of the Company receive remuneration in form of, among others, salary, bonus, overtime wage, provident fund allowance, social security allowance and compensation fund allowance. Officers also receive other welfares, such as annual public holidays, maternity leave, ordination leave, medical allowance and funeral assistance.

Type of Remuneration	As of December 31, 2014
Total salary	22,127,629
Special reward	7,687,659
Provident fund contribution	676,943
Social security contribution	468,799
Compensation fund allowance	71,323
Overtime	184,192
Total	31,216,545

5.4 Policy on development of officers

Key concept of the Company is to be a organization of continued and sustainable learning and apply such knowledge to create work innovations. The Company has the policy to encourage all officers to develop themselves to be competent, creative and stay abreast of circumstances so as to be ready and able to efficiently, completely, and fully perform their duties .

Personnel development plan is clearly set. There are two parts of training, an in-house training and a course to be conducted by outside organizers. HR Section will analyze the appropriateness and necessity for training of each of officers pursuant to their scope of work and position, as well as clearly specify their mission in respect of their works.

Development can be done by various means which will include theory, practice and on-the-job training. By this means, team leaders and officers will be able to jointly establish an appropriate development plan.

Corporate Governance

The Company is aware of undertaking its business with responsibility and fairness and recognizes the importance of good corporate governance and management which will enhance its competitiveness in management by focusing on sustainable growth to add value in a long term to the Company, its shareholders and all stakeholders. The good corporate governance will help the Company gain transparency and verifiability in business operation. The Company set the good corporate governance policy for directors, management and officers to use as the work guideline. The corporate governance of the Company will be reviewed annually and approved by the Board of Directors. The latest revision was made on February 26, 2015 by applying the OECD Principles of Corporate Governance to the Company's guideline.

1. Corporate Governance Policy

The Good Corporate Governance Policy of the Company is divided into 7 categories as follows:

1. Rights of the Shareholders

The Company takes as a priority the right of shareholders to complete and accurate information in a timely and fair manner to support their decision making. The Board of Directors therefore sets the policy as follows.

- 1.1) The Company shall send a notice of shareholders' meeting together with sufficient data in supporting documents on various agendas with objectives, reasons and opinion of the Board of Directors on each of the agenda in order that the shareholders will have the opportunity to study the full information at least 30 days in advance. In case that the shareholders cannot attend the meeting by themselves, the Company allows the shareholders to appoint an independent director or any person as a proxy to attend the meeting by using the proxy form as enclosed in the notice. The shareholders can also download the proxy form from the Company's website.
- 1.2) To fairly facilitate all shareholders in attending the shareholders' meeting in terms of appropriate venue and timing.
- 1.3) In shareholders' meeting, agenda items will be considered and voted in order as specified in the notice without change of material information. Shareholders are given equal opportunity to review the Company's business performance, make enquiries, and present their views and suggestions. Directors and relevant management will attend the shareholders' meeting to answer questions raised in the meeting.
- 1.4) To increase channels for shareholders to access to information through website of the Company on which the information and details are uploaded. In particular, the notice for shareholders' meeting will be disseminated at least 30 days in advance so that the shareholders can conveniently and fully download information and agenda.
- 1.5) The Company has the policy that directors, top management and auditor will attend the shareholders' meeting to provide answers and acknowledge opinion from the shareholders.
- 1.6) Recording the minutes of shareholders' meeting will be made in full, on time and transparently. Material questions and opinion will be recorded in the minutes so that the shareholders will be able to review. In addition, the Company will upload the minutes of shareholders' meeting in the Company's website for shareholders' consideration. The Company will submit the minutes of shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date of shareholders' meeting.

- 1.7) To facilitate shareholders to receive the dividends by transfer to bank account (in case of dividend payment) for convenience of shareholders in receipt of dividend on time and for prevention of cheque being damaged, lost or delayed.
- 1.8) The Company has policy to give an opportunity to shareholders to propose agenda and/or submit questions on the agenda in advance in order that the shareholders will gain ultimate benefits from the meeting as well as to fully preserve the rights of shareholders. This can be done via email or facsimile to the Company Secretary.
- 1.9) The Nomination and Remuneration Committee will consider scope of works, responsibility, completion of work and business performance as well as other factors including remuneration of directors of other companies in the same industry for determination of the remuneration of directors. The Nomination and Remuneration Committee will firstly consider the remuneration of the Board of Directors prior to submission to the Board of Directors for further approval.

2. The Equitable Treatment of Shareholders

The Company shall treat shareholders equally. Therefore, the Board of Directors has the following policy.

- 2.1) The Company shall send the invitation of meeting together with supporting information to the shareholders at least 30 days in advance in order to give an opportunity to the shareholders to fully study information prior to the shareholders' meeting date.
- 2.2) The voting right in the shareholders' meeting shall be in accordance with a number of shares held by shareholders. One share will have one vote. In addition, the Company allows the shareholders who attend the meeting after commencement of the meeting to vote for agenda being considered for agenda which are under consideration and has not been voted, and the vote of such shareholders will be included in the quorum.
- 2.3) With regard to the agenda item on the of directors to replace those who resign by rotation, the Company has policy to give an opportunity to the shareholders to vote on each individual director. This means that the shareholders will have the opportunity to truly select the directors of their choice and preference. The Company will enclose the details of the nominated directors enough for shareholders' consideration.
- 2.4) The Company will allow a shareholder who holds shares representing not less than 0.05% of the paid-up capital for not less than 12 months consecutively to propose via the email or facsimile to the Company Secretary agenda items the annual shareholders' meeting and nominate a qualified person to serve as a director .
- 2.5) The Company will set the preventive measures on insider trading of related persons which mean the Board of Directors, top management and officers in division which may be involved in the Company's information (including their spouse and minor child).
- 2.6) The Company will set the policy on conflict of interest on the basis that decision making of personnel at all levels will be made to the ultimate benefit of the Company and it shall be the duty of all personnel to avoid any financial involvement and/or relationships with third parties which may result in the Company's loss of benefit or cause the conflict of interest or prevent any effective performance of duty. The related persons or connected persons shall inform the Company of relationship or connected transactions and shall not participate in decision making and shall have no authority to approve such transactions.

The approval on such transactions shall be in accordance with principle and have no more special terms and conditions than those of ordinary case.

- 2.7) To facilitate the shareholders who cannot attend the meeting by themselves by allowing the shareholders to give a proxy to any person or permit at least 1 independent director to attend the meeting and notify the name of such independent director in the notice of meeting.
- 2.8) To treat shareholders equally, no matter whether they are major shareholders or minority shareholders, or they are Thai or foreigners.

3. Conflict of Interest

The Company realizes the importance of transparency when considering matters taking into account the benefit of the Company. Therefore, the Company gives high priority to prevention of any transactions that could turn into conflict of interest, connected transactions, or related transactions, and imposes a policy for this purpose with material details as follows.

- 3.1) The management and the officers shall strictly comply with the Code of Conduct to earn trust of all stakeholders and disclose the information for understanding to all officers of the Company.
- 3.2) Directors and the management shall inform the Company of relationships or connected transactions which may cause the potential conflict of interest.
- 3.3) Connected transactions shall be submitted to the Audit Committee for consideration prior to submission to the Board of Directors for further approval in accordance with the good corporate governance. Compliance with the rules prescribed by the SET and the Office of the SEC shall be monitored.

4. Roles of Stakeholders

The Company recognizes and is aware of the rights of all stakeholders, whether they are insider stakeholders, i.e. shareholders, officers, or outsider stakeholders, i.e. customers, partners, creditors, competitors, public section or agencies as well as nearby communities as the Company earns the support from stakeholders which enhances the competitiveness and profitability and it is deemed as a long-term value to the Company. The Company set the following policy:

4.1) Policy on treatment to officers

The Company realizes that officers are key factors to achieve the Company's target. The Company has policy to treat all officers fairly in respect of opportunity, remuneration, appointment as well as development of potential. To this ends, the Company has the following practices:

- 1) To treat officers with politeness and respect by taking into account the individualism
- 2) To give officers the fair remuneration, set up provident fund for officers and provide welfare
- 3) To preserve the work environment with safety to life and assets of officers
- 4) To appoint, promote or demote, give bonus and penalize officers at good faith and on a basis of their knowledge, capability and appropriateness of such officers
- 5) To give extensive and constant opportunity in respect of knowledge management and competency to officers to develop the officers' capability to empower officer to their full potential with professionalism
- 6) To acknowledge views and suggestions which are based on officers' professional knowledge
- 7) To strictly comply with relevant laws and regulations governing officers

4.2) Policy and Treatment to Shareholders

The Company recognizes that the shareholders are the owner of business and the Company has the duty to enhance a long-term shareholders' value as follows:

- 1) to perform fiduciary duty and make decision in accordance with professional principles with due care and fairness to both of major and minority shareholders to the ultimate benefit of overall shareholders.
- 2) to constantly and fully present the report on the Company's status, business performance, financial status, accounting and other reports
- 3) to prohibit the exploitation of benefit to themselves or third parties by using of the Company's information which is not disclosed to the public or do any acts and things which may cause the conflict of interest with the Company

4.3) Policy and Treatment to Customers

The Company recognized the importance of customers and set the policy to treat customers as follows.

- 1) to serve customers with politeness, eagerness and readiness to provide service with sincerity and willingness and care, take care of customers as closed cousin, and provide services on timely, accurate and reliable basis
- 2) to keep confidential the customers' information and not to use for its own benefits or related persons unduly
- 3) to give accurate, sufficient and timely information to customers on services of the Company to customers without exaggerate advertisement which may mislead customers regarding qualities or conditions of the Company's services
- 4) to provide suggestions on the Company's services to the best benefit of customers.

4.4) Policy and Treatment to Partners and/or Creditors

The Company has the policy to officers to treat customers and/or creditors fairly and at good faith without taking advantage over competitors by taking into account the Company's ultimate benefit and mutual fair treatment to avoid situation which may cause the conflict of interest. Negotiation for settlement will be conducted on the basis of business relationship under the following practice:

- 1) not to claim or receive or pay any benefits in bad faith to partners and/or creditors
- 2) in case that there is any information that the claim, receipt or payment of any benefits was not made in good faith, details must be disclosed to partners and/or creditors and the problem shall be settled fairly and timely
- 3) to strictly comply with conditions as agreed upon. In case of non-compliance with any agreements, creditors shall be informed in advance to jointly find the solution.

4.5) Policy and Treatment to Competitors

The Company has the policy to treat competitors without breaching the confidentiality or knowing the confidentiality of competitors with fraud and set the following policy:

- 1) to follow the rules on competition
- 2) not to seek confidentiality of competitors by bad faith or inappropriate means.
- 3) not to destroy competitors' reputation by malicious accusation.

4.6) Policy and Treatment to Societies/Communities

The Company has the policy on undertaking of business which renders benefits to economy, society and adheres to the principle on being a good citizen. The Company fully complies with laws and participates in activities which will promote or enhance the quality of life of societies and communities. In addition, the Company has the policy to return profit to society by allocating budget from the Company's income to support activities which will benefit societies, communities and environment as appropriate and it will proceed with this annually. In 2013, the Company donated money to support education, educational equipment, fitness equipment and other necessary things and gave lunches to children in the girl foster home in Saraburi. In addition, the Company held activities in its organization to support and cultivate consciousness of all level officers in sharing, such as activities to receive old calendars to support Foundation for the Blind in Thailand for bringing them to be used as the media for teaching to the blind and activity to give donation to temple.

In 2014, the Company donated playground equipment and classroom sets and made financial donation to Satayasadi School in Chaibadarn, Lopburi Province as partial support for the construction of a sports stadium. Donations to other social campaigns and projects included a dream-fulfilling activity staged from underprivileged children under the project, "Panong tongphan sarnsarnpanpoodulae Year Six", donation to Khonkaen Hospital, etc.

4.7) Policy on Welfare and Healthcare to Officers

The Company recognizes the importance on preserving good work environment with safety to life and assets of officers by strictly complying with labor law, such as maintenance of buildings and office equipment in good condition and health, provision of necessary medical care services, setting rule on wearing of safety equipment on construction site as well as creating the awareness to all level officers on value and importance of constant workout. The Company arranges the healthcare welfare to officers as appropriate, such as sport activity on every Tuesday and Thursday, annual health check.

4.8) Environment Policy

The Company has the policy to support activities to promote quality, health and environment as well as work environment with safety to life and assets of officers. In addition, the Company realizes on giving knowledge and training to officers on environment and efficient use of resources, such as recycle of paper with one page used, recycle of files and campaign on electricity turn-off during lunch, using ladder instead of elevator, maintenance of equipment for readiness to use and for good safety and work environment and for enhancement of work efficiency of officers in organization.

4.9) Intellectual Property Policy

The Company has the clear policy not to infringe the intellectual properties, irrespective of copyright, patent, trademark, trade secret and other intellectual properties prescribed by law, such as infringement of computer software. All computer software must be investigated and downloaded by the information technology division to prevent illegal usage of software.

4.10) Policy on Legal Compliance and Human Rights

The Company has policy against any infringement of human rights in all respects to be consistent with the society under the rule of laws. Citizen has the freedom right under the law. The practice of the Company is as follows:

1. The Company respects and treats all stakeholders with fairness, on the principle of human dignity, without discrimination on origin, citizen, sex, age, skin color, religion, body condition, status, family and promotes monitoring of treatment in accordance with terms on human rights in the Company.
2. To act against any human trade, use of child labour with age under those prescribed by law and not to do any transactions with manufacturer or service provider who does as such.
3. To support and respect human right by reviewing and controlling the business transaction of the Company with third parties not to promote or support the violation of human right and not to violate the staff's right protected by law.

4.11) Policy on Fraud and Anti-Corruption

The Company expresses its intention to join the private sector on anti-corruption group which is held by joint effort of Thai Institute of Directors, Thai Chamber of Commerce, International Chamber of Commerce, Thai Listed Companies Association and The Thai Bankers' Association since January 30, 2014. The Board of Directors set the policy on anti-corruption as follows:

1. To set the appropriate check and balance structure among procurement division, accounting division, management division and audit division to prevent misuse of authorities.
2. To train officers on knowledge, policy and practice on anti-corruption of the Company.
3. To support and cooperate with public sector organization and regulatory authorities as well as all sectors in the Thai society with the aim to reduce corruption and enhancement of country development.
4. To prohibit director, executive and officers from any forms of direct or indirect corruption, i.e. receipt of gift, giving gift, wining and dining, donation and any other benefits to themselves from partners of the Company.

The Company has the channel for interested persons to inform, suggest or complain in case of corruption or any acts which is not in compliance with the Company's rules to the Board of Directors by sending a letter to the below address:

The Board of Directors
 WHA Corporation Public Company Limited
 1121 Moo 3 Theparak Road, Muang, Samut Prakan 10270

5. Disclosure of Information and Transparency

The Board of Directors has the policy to accurately, fully, sufficiently, constantly and timely disclose financial information memorandum and others on business and the Company's performance which reflect the financial condition and performance of the Company including the future business of the Company.

The Board of Directors has strong intention to supervise to strictly and transparently comply with laws, regulations and rules in relation to information disclosure and distribute the information via the Company's website, SET's disclosure media in order that shareholders and relevant persons will receive the information of the Company and will adjust it to be in line with the applicable guideline of SET and the Office of the SEC.

The Company procures staff responsible for communication with investors, shareholders as well as institutional investors and minority shareholders. The Company will regularly hold the meeting for analysis of business performance and disclose information of organization and financial information and general information to investors, securities analysts, credit rating agencies and relevant governmental authorities via various channels, such as reporting to SET, the Office of the SEC and website of the Company. Moreover,

the Company recognizes the importance to regularly disclose the information in order that the shareholders continually receive information via the Company's website. The information thereof will be constantly updated, such as vision, mission, financial statements, public relation news, annual report, corporate structure, management, shareholding structure and major shareholders.

In addition, the Company realizes the importance of financial statements which truly reflect the financial status and performance of the Company on the basis that the accounting information must be correct, complete and sufficient per the generally accepted accounting principles. The Company will disclose information regarding each of directors as well as roles and duties of the Board of Directors and the committees of the Company in the Annual Report (Form 56-2) and Annual Report (Form 56-1) and will disclose remuneration of directors and top executive in Annual Report (Form 56-2) and Form on Annual Information Disclosure (Form 56-1).

6. Responsibility of Board of Directors and Committees

6.1) Structure of Board of Directors

The Board of Directors has responsibilities to the shareholders on business undertaking, supervision of business to its goal and guideline to maximize the shareholders' value by taking into account benefits of all stakeholders.

As of December 31, 2014, the Board of Directors of the Company comprises 11 persons as follows.

- a. Directors who are executives numbering 5 persons
- b. Directors who are not executives numbering 6 persons inclusive of 4 members of the audit committee.

Although the Chairman of the Company is the Chairman of the Executive Committee and Chief Executive Officer, the consideration on material issues will be screened by the Executive Committee and, if it exceeds the authority of the Executive Committee, it will be submitted to the Board of Directors. With regard to the structure of the Executive Committee, 4 out of 6 executive committee members are not related to Chairman of the Board, Chairman of Executive Committee and Chief Executive Officer. And, in the Board of Directors, 7 out of 9 directors are not related to the Chairman of the Board of Directors, Chairman of Executive Committee and Chief Executive Officer. The Company also has the audit committee's which comprises 3 independent directors, or one-thirds of all directors. The Company also provided for the scope of authorities of the Board of Directors, committees and Chief Executive Officer in writing to set the clear scope of works and responsibilities of Committees which reflects the transparency and due care in making decisions.

6.2) Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has the duty to perform in accordance with law, objectives, articles of association and resolution of shareholders' meeting by performing the fiduciary duty and duty of care to the benefit of shareholders and stakeholders in long term and short term to ensure that the Company operates the business in the direction that maximizes the benefit of shareholders and stakeholders. The Board of Directors will monitor to procure the preparation of vision, mission, target, policy, direction, strategic plans, work plans and annual budget of the Company. The Board of Directors will share opinions to ensure mutual understanding of the overall the business prior to giving approval and shall follow up the management to meet target by adhering to guidelines as set forth by the SET and the Office of the SEC.

6.3) Meeting of Board of Directors

Regular attendance of meetings of the Board of Directors is an important duty of the directors to acknowledge and participate in decision making on business undertaking of the Company. In each year, there will be at least 4 meetings of Board of Directors. At each meeting, the agenda will be clearly prepared in advance. A special meeting of Board of Directors may be held to consider urgent matters.

Top executives of the Company may attend the Board of Directors' meetings to give information which may be useful and directly take policy from the Board of Directors. The Company also has the policy that the non-executive directors will have a meeting at least once a year. It is intended that the non-executive directors have the opportunity to meet with one another to discuss issues of their interest without attendance by the executive or management.

In determining the agenda for Board of Directors, Executive Committee will consider issues which will be the agenda in the Board of Directors' meetings. All executive directors are able to propose any agenda and independently and freely give an opinion and the Company Secretary will prepare such issue to be the agenda of the Board of Directors' meetings and prepare notice of Board of Directors' meetings. The approval in the Board of Directors' meetings will be made by majority votes and one director has one vote. Interested director will not attend the meeting or refrain from voting on such agenda.

After the end of the meetings, the Company Secretary will prepare the minutes of the Board of Directors and submit it to the Chairman to sign and will propose it to next Board of Directors' meeting for certification. The directors may give their opinions on revision of the minutes of the Board of Directors' meetings in order that the details of the minutes will be accurate as much as possible.

The certified minutes of the meetings will be systematically kept as classified in electronic form for ease of searching.

6.4) Orientation of New Directors

In performing duty of director, the director must understand the nature of business of the Company. Therefore, in case of change of directorship, the Company will arrange the orientation for a new director to have him/her understand the nature and guideline on business operation as a whole and will give the material information memorandum and corporate governance guideline necessary for performance by director of the duty. The Company Secretary will coordinate for such orientation.

6.5) Policy on Restriction on Number of Companies and Number of Terms of Director

The Company has the policy for its directors to serve as director in other listed companies at no more than 5 companies without exception. All directors currently serve as director of no more than 5 listed companies.

Moreover, the Company has the policy that Chief Executive Officer shall not be a director in other companies in the same or similar type of business except related companies and/or subsidiaries to ensure that the Company will have no conflict of interest.

Independent directors can serve as directors of the Company for a period of no more than 9 consecutive years. The Board of Directors considers this policy is appropriate in respect of the performance by directors of duty as nomination of qualified directors is the time-consuming process.

6.6) Evaluation of Performance of Board of Directors

The Company provides for the annual self-evaluation of directors to jointly consider and conclude the performance for reviewing operation, problems and obstacles and seeking solutions. The Company set the guideline for evaluation of the Board of Directors as a whole pursuant to the evaluation guideline of the SET. The result of the evaluation will play an important role in developing the efficient performance of duty of the Board of Director. The evaluation form outlines the following topics.

1. Satisfaction regarding the following:
 - (1) Result of performance of the Board of Directors as a whole,
 - (2) Result of business operation of the Company, and
 - (3) Proceeding with solving the problem by the management.
2. Understanding on (1) Role and Duty (2) Company's Business and (3) Company's Strategy
3. Good relationships between the Board of Directors and Management
4. Efficiency of subsidiary and committees
5. Sufficient and appropriate time allocation by the Board of Directors to consider the following issues:
 - Policy and direction of the Company
 - Business performance of the Company
 - Solution in case of non-achievement
6. Preparation by the Board of Directors to attend the meeting
7. Independence of the Board of Directors in expressing the opinion
8. Neutral opinion of the Board of Directors
9. Opportunity and support given by the Chairman to every director to independently express his opinion
10. Opinion of the Board of Directors on investors' confidence to the Board of Directors
11. Acceptability among officers on corporate governance practice of the Company

The Company Secretary will provide the evaluation form to directors at the end of each year and will collect the same and report the summary to the Board of Directors for further consideration and discussion annually.

6.7) Succession Plan

The Company recognizes the importance of succession plan. The Company, therefore, prepared the succession plan to cover significant positions by selecting qualified persons to serve in such positions and arranging the training for readiness to serve such positions in the future and ensure that the Company will have knowledgeable and capable executive to succeed such significant positions in the future.

6.8) Risk Management

The Company will assign Risk Management Committee to be in charge of setting up a working group comprising the Company executives to jointly discuss and regularly evaluate the risk in the organization for inside and outside risks and set risk management measures. Working group will monitor the risks as identified with support from various divisions and report the result to Risk Management Committee for acknowledgement. Risk Management Committee will, subsequently, evaluate the efficiency in respect of risk management and report it to the Board of Directors at least once a year to identify the weakness and to adjust the policy with more efficiency.

2. Committees

The Board of Directors set up the committees to perform the specific duties and to propose matters to the Board of Directors to consider or acknowledge and provided for the qualifications and scope of duties of committees as follows.

2.1 Executive Committee

Executive Committee consists of a group of persons of not less than 5 who are authorized by the Board of Directors to screen the business plan and budget the Company prior to submission to the Board of Directors and will coordinate with the management in undertaking the ordinary course of business in accordance with business plan and budget the Company.

2.2 Audit Committee

Audit Committee consists of 3 independent directors. All of them have the knowledge, understanding and experience. Somsak Pathomsrimek, Ph.D., a member of the Committee, has the accounting knowledge, expertise and experience. The Audit Committee will ensure that the Company has accurate and sufficient financial statements and appropriate and efficient internal control system.

2.3 Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of 4 members with scope of authorities and responsibilities to nominate qualified persons to serve as directors and top executives and propose them to the Board of Directors or shareholders' meeting (as the case maybe) as well as proposing principles and guidelines to clearly, fairly and appropriately fix remuneration for directors, committee members and top executives in line with their responsibilities, to the Board of Directors for consideration.

2.4 Corporate Governance Committee

Corporate Governance Committee consists of 4 persons with scope of works to review, revise corporate governance policy to be proposed to the Board of Directors for consideration. The corporate government policy will be in line with the guidelines of the SET and the Office of the SEC.

2.5 Risk Management Committee

Risk Management Committee consists of 3 persons with scope of authorities to study, review and evaluate associated risks and trend which may affect organization as well as inside and outsider risks of the Company and set the risk management policy and propose it to the Board of Directors.

2.6 Company Secretary

The Board of Directors appointed Mr. Kasamsi Sakunchaisiriwit as the Company Secretary with scope of works to assist in preparing agenda of meetings and preparing notice of meeting, to take care of holding the Board of Directors' meetings and shareholders' meetings and keep documents as required by law and to arrange directors and the Company to fully and transparently disclose information memorandum. The Company Secretary is a person whom the Board of Directors is of the opinion that he is qualified to serve as the Company Secretary.

3. Supervision of the subsidiaries and associated companies' operations

From 2015, the Company has prescribed the rules and guidelines requiring that nomination of persons to be the director in the subsidiaries and associated companies and the exercise of voting right at their shareholders' meetings require approval of the Board of Directors except for the following cases:

- (1) Agenda items to be adopted by the shareholders' meeting in accordance with the joint venture agreement to which the Company is a party.
- (2) Following regular agenda in the annual general meetings where the executive committee may consider on casting the vote:
 - (1) To certify the minutes of the previous shareholders' meeting
 - (2) To consider and approve the report of the board of directors and performance of the past year
 - (3) To consider and approve the financial statement for the year.
 - (4) To consider and approve the allocation of net profits for the legal reserve fund and payment of dividends
 - (5) To elect new directors to replace the directors who are due to retire by rotation
 - (6) To appoint the auditor for the year

Nomination of directors to represent the Company in the subsidiaries and associated companies shall be in line with the Company's shareholding ratio.

In the case of the subsidiaries, the Company prescribes the rules stipulating that the persons appointed by the Company accurately and fully comply with the rules for execution of connected transactions, acquisition and disposal of assets, or execution of any other material transactions, and that they apply the rules related to disclosure of information and execution of the said transactions in the same manner as applying the Company's rules. They shall supervise the subsidiaries to ensure that they keep information and accounting records in such a way that makes it possible for the Company to verify and collect them in a timely manner for the purpose of preparing financial statements.

4. Use of Insider Information

The Board of Directors recognizes the importance of good corporate governance and for transparency and prevention of conflict of interest arising from use of insider information of the Company which has not been disclosed to the public, the Company set following policy:

1. Give knowledge to directors, executive and persons with position of accounting manager or financing manager or higher position on the duty to prepare and submit the report on holding of securities, their spouse and minor children to the Office of the SEC under Section 59 and penalty under Section 275 of the Securities and Exchange Act B.E. 2535.
2. Arrange directors or persons with position of accounting manager or financing manager or higher position to prepare and submit every report on holding of securities through Company Secretary prior to filing with the Office of the SEC. The report shall be prepared and filed within 30 days from appointment date of directors, executive, or within 3 business days from the date on which securities is purchased, sold, transferred or received the transfer of such securities.
3. Arrange directors or persons with position of accounting manager or financing manager or higher position to acknowledge the material inside information which affects the change of securities price and refrain from sale and purchase of securities of the Company during the period prior to disclosure of financial statement or financial status of the Company until such information has been disclosed to the public. The Company will inform in writing directors, executive including persons with position of accounting manager or financing manager or higher position to refrain from sale and purchase of securities of the Company. Such informing shall be made at least 30 days in advance prior to disclosure of information to the public and shall wait for at least 24 hours after disclosure of information to the public. The disclosure of material information to other persons is prohibited.
4. Disciplinary action will apply in case of breach of duty on using of insider information for personal benefit. It may be done by issuance of warning letter, deduction of wage, temporary suspension of work without payment, or termination of employment to the extent permitted by law, taking into account the intention and seriousness of such violation.

Report on Holding of Securities of Company

The Company Secretary collects and report information on holding of securities of the Company by directors, executives, their spouses and minor children to the Board of Directors on a quarterly basis.

5. Auditor's Fee

The Company and its subsidiaries paid the two major fees to the auditors and the audit firm that the auditors work for as followed: Audit fee and non-audit fee

Audit Fee

In 2014, The Company and its subsidiaries paid the auditors and the audit firm, PricewaterhouseCoopers ABAS Ltd., amounted to Baht 2,791,000.

Non-Audit Fees

Apart from the audit fee, the Company paid the fees to PricewaterhouseCoopers ABAS Ltd. for the review of tax exemption privileges form submitted to the Board of Investment (BOI) in order to obtain benefit on the corporate income tax exemption for the fiscal year ended of December 31, 2014 at the amount of Baht 205,000.

Internal Control and Risk Management

The Group of Companies realizes the importance of having in place an internal control system that is sufficient and appropriate to the business operation so as to enhance the efficiency of the business operation and asset care and maintenance, as well as having an accurate and reliable accounting and financial reporting systems, and compliance with laws, regulations and rules relating to the business operation of the Group of Companies. To achieve this, the Board of Directors assigned the Audit Committee to review the result of internal control and risk evaluation every year and compliance with the good corporate governance principle to ensure transparency and prevent any use of the Company's inside information for own benefit.

The evaluation was drawn from the facts obtained from interviewing and inquiring the management, department managers and/or concerned staff and employees according to the organization structure as well as examination of documents and evidence as appropriate. The evaluation of the Company's internal control was conducted on the five elements, namely internal control, risk assessment, operation control, information system and data communication, and monitoring system against the internal control guidelines under the COSO concept which consists of the following five elements: 1) control environment 2) risk assessment 3) control activity 4) information and communication and 5) monitoring and evaluation.

At the Board of Directors' Meeting No. 1 held on February 18, 2014 at which three members of the audit committee were present, the Company appointed Dharmniti Auditing Co., Ltd. ("Dharmniti") to act as its internal auditor from February 18, 2014. Dharmniti assigned Mr. Saksri Ampawan, Internal Audit Manager, to have the key responsibility of reviewing and evaluating the sufficiency of the Group of Companies' internal control systems.

Upon evaluation, Dharmniti takes the view that the internal control system of the Group of Companies in 2014 was sufficient and appropriate and that there was no significant error. A summary report of the result of the evaluation was presented to the Company's Board of Directors in a meeting wherein the Audit Committee was present. According to the report of the Audit Committee on the internal control system, the Audit Committee viewed that the Company's internal control system is sufficient and appropriate and that the internal audit is independent and proper.

Moreover, there was an internal control system in place to monitor and oversee the operations of the subsidiaries and prevent the assets of the Company and its subsidiaries from unauthorized use by directors and executives as well as transactions that could be exposed to issues concerning conflict of interest and connected transactions



Corporate Social Responsibilities : CSR

Responsibility to Society and Environment

1. Overall Policy

Throughout the period of business operation, the Company has always recognized the importance of environmental development in conjunction with economic and social development and therefore has in place the policy to initiate projects that will constantly benefit society. For this purpose, it has established the so-called Corporate Social Responsibility or CSR program which incorporates 8 important policies as follows:

(1) Fair Business Operation

Transparency in business undertaking is always the Company's priority, emphasizing prevention of transaction that could lead to conflict of interest. The Company also imposes policies on employees to treat business partners, creditors, shareholders and customers fairly and without taking advantage in accordance with the Company's corporate governance policy.

(2) Anti-corruption

The Company implements policies to deal with corruption in all circumstances. These policies are incorporated in the anti-corruption policies and guidelines section of the corporate governance principles. In order to follow the policies, on 30 January 2014 the Company declared its intent to join the Thai private sector to participate in campaigns organized by the Thai Institute of Directors in collaboration with the Thai Chamber of Commerce, International Chamber of Commerce, Thai Listed Companies Association, and The Thai Bankers' Association to counter corruption.

(3) Human Right

The Company has in place human right policies and policies to counter violation of human rights in all circumstances. These policies are included in legal compliance and human right policies and guidelines section of the Company's corporate governance principles.



(4) Fair Labor Treatment

The Company gives equal opportunity to employees of all races, languages and genders. Every step in providing services is undertaken with honesty and transparency. The Company also strictly complies with the labor laws. This policy is provided in the section of employment treatment and guidelines and the employee safety and hygiene policies of the corporate governance principles.

Furthermore, the Company allows employees to request additional welfare. In 2014, employees were given the opportunity to elect members of the Employee Welfare Committee to protect and properly manage welfare and employment agreement for employees.

(5) Consumer Responsibility

The Company establishes the policy that focuses on doing business and treating customers (also considered consumers) with honesty, adhering to the terms under contracts made with the customers and in compliance with the standards set by law. It has a policy to provide accurate and complete information on use of warehouse building to customers as well as emphasizing keeping of customer data and information. The Company implements the policy on customer treatment and includes it in the customer policies and treatment section of its corporate governance principles.

(6) Environment

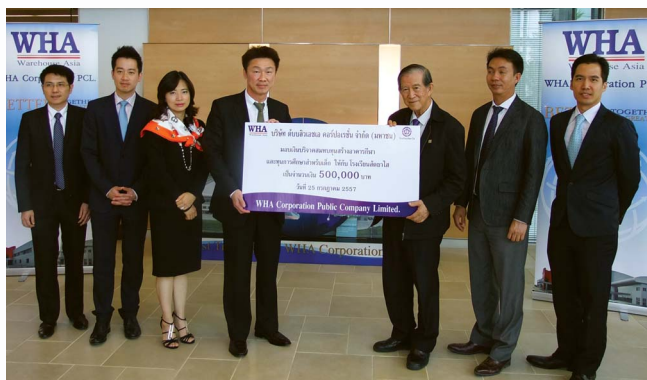
The Company establishes the policy that supports activities that will promote quality of life, occupational hygiene and environment as well as maintaining work environment in such a way to ensure safety of employee health and property. Such policy is provided in the environmental policy section of the Company's corporate governance principles.

(7) Community and Social Development

The Company has the policy to support social activities on various occasions aiming at maximizing social and community benefit so as to help and promote sustainable quality of life of the youth and Thai society.

(8) Innovation and Innovation Dissemination

The Company has the policy that always focuses on design innovation of environmental friendly warehouses, ranging from energy saving, production of solar energy to environment care. It also implements the policy to educate customers and related agencies about and exchange knowledge of the use of building.



2. Operation and Report Preparation

The Company recognizes the importance of environment and the effects of global warming and therefore believes that it is imperative that the Company create employee awareness so as to urge them to take part in energy conservation. In light of this spirit, the Company, in its ordinary course of business, undertakes the followings:

- (a) The Company focuses on innovation to design environmental friendly warehouses, for instance, a warehouse that is capable of consuming more natural light so as to reduce the use of electricity, design of a warehouse that will allow airflow from outside to inside to cool the temperature inside the building, care and maintenance of water treatment system before discharging water, so as to always make full use of building efficiency.
- (b) The Company initiated and has sold the solar PV rooftop energy to Metropolitan Electricity Authority and Provincial Electricity Authority since 2014. This project not only supports the energy conservation under the green energy concept but also provides utmost benefit to the customers as the solar cell will function as the heat insulator for roof of warehouses. Accordingly, the customers are able to preserve the goods quality and save the energy.
- (c) The Company has replaced the conventional HID bulbs with T5 and/or LED lights. They save 2–3 time energy despite higher cost and they last longer.
- (d) The Company encourages employees to save energy and resources, for instance, turning off lights, air conditioners and electrical equipment during lunch time, reuse of the other side of paper, replacing 80-gram office paper with 70-gram office paper, printing only necessary documents, etc.

3. Business Effect on CSR

The Company emphasizes undertaking of business that supports and does not adversely affect society and environment. It has never been subject to investigation or challenged by any related government authorities into environmental matters or any acts that could affect the environment.

4. Activities for Social and Environment Benefit (after process)

- (a) The Company believes that children are key social foundation. Good education in parallel with cultivation of ethics and morality will help communities and society exist in a sustainable way. For this reason, the Company decided to initiate the campaign, “WHA Campaign to Motivate Children and Youth Morality” aimed to support education to the community and underprivileged youth. To do so, the Company has allocate a part of its income as a budget to give scholarship to schools in the community, build libraries and donate teaching and learning equipment to needy schools, etc. The Company is determined to pursue the said campaign.

In 2014, the Company pursued the above campaign by donating funds to Satayasai School in Lopburi to support the acquisition of sport equipment for students and also donated funds to the fund for children with chronic illness and underprivileged children, and donation for charitable causes to support Asia Wealth Sports Competition.

- (b) The Company always bear in mind that support of religion and good culture is of importance not less than other activities. To promote the sustainable development of organizations, society and communities, the Company has the policy to support activities that promote Buddhism, arts and culture, such as performing meritorious deed on religion days and giving Kathin as well as providing a budget to support repair and renovation of religious places.

In 2014, the Company hosted the Kathin merit making ceremony at Thamma-Utayan temple in Khon Kaen. On this occasion, customers, mass media, bankers and the general public were invited to join the hosting of the ceremony. Another similar ceremony, Pha Pa Samakee was also arranged and performed at Chanpraditharam and Thepsorathamaram temples. The Company joined the KPN Group and KasikornBank in other Kathin ceremonies at other temples.

- (c) The Company recognizes all stakeholders. And, it is the Company's policy to offer assistance upon occurrence of emergency to organizations, whether they are public or private, as well as supporting manpower and financial assistance to conduct the activities for public charitable causes as appropriate.

5. **Anti-corruption**

The Company has the policy to take all measures to counter corruption and ensure that its business operates in a lawful manner. Therefore, an anti-corruption policy has been in place and is included in the anti-corruption policy and guideline section of the corporate governance principles.



Connected Transactions

1. Connected transactions of the Company and its subsidiaries with persons who may have conflict of interests in 2014

Person/Entity who may have conflict of interests	Relationship	Type of Connected Transaction	Transaction Amount (Baht Thousand)		Necessity and Appropriateness of Transaction	Audit Committee's Opinion
			For the fiscal year ended of 31 Dec 2014			
1: S&J Holding Co., Ltd.	<ul style="list-style-type: none">Having common major shareholders with the Company where:<ul style="list-style-type: none">Mr. Somyos Anantaprayoon holds 52.50% of the shares in S&J Holding Co., Ltd.Mrs. Jareeporn Anantaprayoon holds 42.50% of the shares in S&J Holding Co., Ltd.Having common director with the Company, namely Mr. Somyos Anantaprayoon	<ul style="list-style-type: none">Office service fee charged to the Company and its subsidiaries.	8,254.92		<ul style="list-style-type: none">The Company received the service for the use of building space owned by S&J Holding Co., Ltd. to be used as an office under the 3-year service agreement commencing from January 1, 2012 to December 31, 2014. The service fee for July 2012 – December 2014 was Baht 643,175 per month, exclusive of VAT, calculated from the service area of 2,572.7 sq.m.This service fee charged was equivalent to Baht 250 per sq.m., which was comparable to the rental rate for the areas nearby.WHA Real Estate Management Co., Ltd. received the service from S&J Holding Co., Ltd. for the use of building space under the service agreement for 8 months from May 1, 2014 to December 31, 2014. The service fee was Baht 28,760 per month for the period from May 2014 to December 2014 exclusive of value added tax. This amount was charged for the service area of 115.04 sq.m. translating into the service fee rate of Baht 250 per sq.m. This rate is comparable to the rates chargeable for areas nearby.	<ul style="list-style-type: none">It was deemed appropriate in order to support the Company business. The service fee charged in 2014 is comparable to the market rate.

Person/Entity who may have conflict of interests	Relationship	Type of Connected Transaction	Transaction Amount (Baht Thousand)		Necessity and Appropriateness of Transaction	Audit Committee's Opinion
			For the fiscal year ended of 31 Dec 2014			
		<ul style="list-style-type: none">Car rental fee of the Company	142.85		<ul style="list-style-type: none">During the initial period when the Company was set up and had not yet generated operating profit, the Company rented cars from S&J Holding Co., Ltd. to facilitate the business operation. Nowadays, however, the Company has purchased cars on its own and there will be no additional car rent from S&J Holding Co., Ltd. in the future.The Company entered into a car rental agreement with S&J Holding Co., Ltd. The agreement was valid for one year from September 1, 2012 to August 31, 2013 and was renewed on two occasions, the first for six months from September 1, 2013 to February 28, 2014 and the second for one month from March 1, 2014 to March 31, 2014. The car rental rate throughout the rental period was Baht 44,500 per month, excluding VAT. Such car rental rate was calculated based on the net book value plus a margin of 20% for the use of 5 years, computed to monthly rental.	<ul style="list-style-type: none">It was deemed appropriate to enter into the transaction in order to support the Company business. The terms and conditions were in accordance with the normal business practice.The rate charged and its commercial terms and conditions were reasonable.The rate charged was mutually agreed and was calculated on a cost plus basis.

Person/Entity who may have conflict of interests	Relationship	Type of Connected Transaction	Transaction Amount (Baht Thousand)		Necessity and Appropriateness of Transaction	Audit Committee's Opinion
			For the fiscal year ended of 31 Dec 2014			
		<ul style="list-style-type: none">Purchase of car and pick-up trucks	2,345.65		<ul style="list-style-type: none">In the first quarter, the Company bought 3 cars and pick-up trucks from S&J Holding Co., Ltd. at Baht 1.01 mn for use in its business because the business has grown significantly while S&J Holding Co., Ltd. does not need to use such vehicles as much. The purchase price was the same as the market price.Due to business expansion, the Company, instead of renting, bought the vehicles from S&J Holding Co., Ltd. in the second quarter at Baht 1.33 mn. Such price was the amount that Holding Co., Ltd. had to pay to the leasing company plus related transaction costs.	<ul style="list-style-type: none">It was deemed appropriate to enter into the transaction in order to support the Company business. The terms and conditions were in accordance with the normal business practice.The prices charged and its commercial terms and conditions were reasonable.The prices were the same as the market prices.

Person/Entity who may have conflict of interests	Relationship	Type of Connected Transaction	Transaction Amount (Baht Thousand)	Necessity and Appropriateness of Transaction	Audit Committee's Opinion
			For the fiscal year ended of 31 Dec 2014		
2. RL Counsel Co., Ltd.	<ul style="list-style-type: none"> Mr. Narong Kritchanchai has been the Company's director since 22 November 2011. 	<ul style="list-style-type: none"> Legal fee of the Company and its subsidiaries. 	6,437.65	<ul style="list-style-type: none"> Due to numerous complicated legal works of the Company and its subsidiaries which require specialized lawyers, together with just a few legal personnel with limited experience and expertise in some specialized area, the Company and its subsidiaries have engaged external legal consultant to provide legal advice on various matters to the Company and its subsidiaries, as well as to review documents and agreements relating to their business operation. The legal fee charged was in the range of Baht 2,500–4,000 per hour (in 2014) which was not higher than the market rate. 	<ul style="list-style-type: none"> It was deemed appropriate to enter into the transaction in order to support the Company business and it complied with the normal business practice. The fee charged and its commercial terms and conditions were reasonable. The fee charged was comparable to and did not exceed the market rate.
	<ul style="list-style-type: none"> Mr. Narong Kritchanchai holds 33.3% of the shares in the Company (as of 31 December 2014), and is the authorized director of RL Counsel Co., Ltd. 	<ul style="list-style-type: none"> Accrued expenses 	1,282.91		

2. Necessity and Rationality of the Connected Transactions

The Audit Committee's meeting no. 1/2015 held on 26 February 26, 2015 has considered the connected transactions for the fiscal year ended December 31, 2014, together with the information interviewed from the management of the Company and its subsidiaries, persons and entities who may have conflict of interests for the fiscal year ended December 31, 2014, as well as the review of the auditor's notes to financial statements. It has viewed that the connected transactions of the Company and its subsidiaries with persons or entities who may have conflict of interests for the fiscal year ended on December 31, 2013 were reasonable and were for the benefit of the Company. In addition, such connected transactions were in accordance with the normal business terms and practices and were conducted as normal business operation of the Company where there was no transfer of benefit between the Company and persons who may have conflict of interests. They were also conducted in the same manner as a normal person would have done with its counterparty in the same circumstance at an arm's length basis without influence from a party who might be a person having conflict of interests (Arm's Length Basis).

3. Policy and Procedure for Approval of the Connected Transactions

The Meeting of the Board of Directors No. 1/2012 held on May 25, 2012 set the policy and procedures for entering into connected transactions to ensure transparency of the transactions between persons or juristic persons who may have the conflict of interests and to protect the benefits of the Company. The policy and procedure can be summarized as follows.

The connected transactions or related transactions of the Company and its subsidiaries were to be in compliance with the principle of the SEC Act and the notifications of the Capital Market Supervisory Board No. TorJor. 21/2012 re: Rules for Entering into Related Party Transactions and the Notification of the Securities and Exchange Commission re: Disclosure of information and duties of listed companies concerning connected transactions including other relevant regulations of the SEC and the SET as well as to be in compliance with the disclosure of the connected transactions in the auditor's notes in the financial statement audited by the Company's auditor and in the annual registration statement (56-1).

For the case of the connected transactions of the Company and its subsidiaries with person who has conflict of interests or may have a conflict of interest in the future, the Audit Committee shall give comment on the necessity for entering into the transaction and the appropriateness of transaction price by taking into account the conditions to be in compliance with the normal business operation in the industry and to compare with the third party's or the market price. If the Audit Committee does not have expertise to review the potential connected transactions, the Company will arrange an independent advisor or the Company's auditor to give comment on such connected transactions for decision making of the Board of Directors, the Audit Committee, or the shareholders, as the case may be. To such extent, the director who has a conflict of interest shall not have a right to vote on such transaction. The connected transactions shall be disclosed in the notes to the financial statements audited or reviewed by the Company's auditor.

4. Policy or Tendency for Connected Transaction in the Future

The Company may enter into connected transactions in the future as deemed appropriate by complying with the Securities and Exchange Commission laws, rules, notification, order or requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as accounting standards re: disclosure of information in relation to related persons or activities as prescribed by the Federation of Accounting Professions.

In the case where the transaction normally occurs and will continually occur in the future, the Company sets the criteria and guidelines to be in accordance with the normal business by referring to the appropriate, fair, reasonable and transparent prices and conditions, and then proposes to the Audit Committee to consider and approve such criteria and guidelines.

However, to enter into connected transactions, the Company will assign the Audit Committee to give comments on the appropriateness of such transactions. If the Audit Committee has no expertise on considering such connected transactions, the Company will arrange a person who have specialized knowledge and expertise such as independent auditor or asset appraiser to give comment on the connected transactions. Those comments of the Audit Committee or the experts will be considered by the Board of Directors or the shareholders, as the case may be, to ensure that such transactions will not be migration or transfer of benefit between the Company and its shareholders, but will be for the ultimate benefit of all shareholders.



Management Discussion and Analysis (MD&A)

Financial Ratio

For the year ended 31 December

	Consolidated Financial Statement			
		2012	2013	2014
Liquidity Ratio				
Current Ratio	times	1.44	1.32	1.94
Quick Ratio	times	0.47	0.41	0.78
Account Receivables Turnover	times	60.72	20.23	28.65
Account Receivables Days	days	6	18	13
Account Payables Turnover	times	0.23	0.26	0.53
Account Payables Days	days	1,599	1,370	674
Profitability Ratio				
Gross Profit Margin – Rental and Service	%	64.99%	64.24%	60.26%
Gross Profit Margin – Sales of Investment Properties	%	10.60%	24.65%	29.67%
Total Gross Profit Margin	%	19.63%	27.45%	33.12%
Other Income Margin	%	2.02%	1.17%	3.36%
Net Profit Margin	%	9.60%	20.41%	19.35%
Return on Equity	%	11.20%	41.57%	22.67%
Efficiency Ratio				
Return on Assets	%	3.15%	15.13%	7.25%
Return on Fixed Assets	%	8.92%	31.47%	16.26%
Total Asset Turnover	times	0.33	0.74	0.37
Financial Ratio				
Debt to Equity Ratio	times	1.87	1.66	2.56
Interest Bearing Debt to Equity Ratio	times	1.46	1.25	2.34
Interest Coverate Ratio	times	0.87	2.21	1.29
Cash Basis ¹	times	0.38	0.49	0.35
Divident Payout ²	%	55.75%	70.72%	–

¹ Cash flow from operation used to calculate Cash Basis includes proceeds from sales of investment properties

² Include stock dividend, and Net profit used in calculation is taken from Company Only Financial Statements

Performance Overview

Over the past 3 years, WHA Corporation Public Company Limited has achieved a significant growth and has continued to expand its business according to its strategic plan. In 2014, the overall economy slowed down with the rising household financial burden and a decline in agricultural product prices which in turn resulted in a drop in consumer purchasing power, particularly consumers in upcountry. Moreover, the industrial sector still had no clue about the political situation and direction. Because of these unfavorable factors, tenants decided to put off their investment or business expansion. Nonetheless, areas for lease in the Greater Bangkok enjoyed continued growth. In 2014, the Company still focused on maximizing the use of area in Bangna-Trad while improvement of warehouse quality was also its priority. The Company developed a more variety of and more sophisticated warehouses to meet the intended purposes of use and the need of tenants, for instance, temperature-controlled warehouses, both multi-temperature warehouses and cold storages. The rent per square meter for these kinds of warehouses are normally higher than the rent for built-to-suit warehouses with ambient temperature. This resulted in a growth in rental and service revenue although new leasable area secured during the year did not increase as much completed to that of last year.

In 2014, WHA secured additional pre-leased areas for future income recognition of 187,021 sq.m., resulting in a total completed area of approximately 318,621 sq.m. at the end of 2014. Out of those leaseable area, the total area of 255,462 sq.m. are occupied area that can generate revenue, which is equivalent to an occupancy rate of 80%¹. Also, WHA had pre-leased area of up to 233,030 sq.m. for future income recognition and had some land held for future development of approximately 800 rais which could be transformed into leasable area of around 800,000 sq.m. They are located in prime areas on Bangna-Trad, Lardkrabang, Laemchabang, Panthong, Kabinburi, and Rama II roads as well as in up-country such as Khonkaen, Surathani, and Lumpoon which are targeted to serve business expansion of WHA's clients. Including all the completed and leased area, pre-leased area, and leasable area that are sold to WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund ("WHAPF") and WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust ("WHART") for which the Company is the property manager, the total leasable area under management of WHA reached 1,108,740 sq.m at the end of 2014.

Most of the company's projects were built tailored to the needs of clients; thus, the development and construction would only take place upon execution of an agreement between WHA and the clients in the case of Built-to Suit projects. Moreover, WHA would be able to increase the rental rate consistently as stipulated in the contract. Most of the contracts were long-term contracts. From the past, all clients have renewed the contracts once they expired unless they required additional space and moved to the Company's another warehouse that provides more space. Nevertheless, WHA has been planning to increase more alternatives for other clients and, therefore, started a Warehouse Farm project that consists of both the Built-to-Suit warehouse and a general warehouse for tenants who need a smaller space to serve their immediate need. WHA believes that its strategically chosen locations will meet the logistics needs of all tenants. Even though the project initiation resulted in some vacant spaces, the Company successfully expanded the client base to cover new tenants in 2014, particularly major and recognized Thai tenants, such as Thailand Post Co., Ltd., Thai Beverage Public Co., Ltd. and Central Retail Corporation Co. Ltd.

The Company expanded the business to lease of office building. It started with a built-to-suit office building project on Bangna-Trad Road for tenants who require a one-stop office that provides multi-purposes functions, such as office space for employees, Service Center to clients, Training Center, and Showroom. In July, the Company acquired Equinox The Office Place, an office building, from Major Development Group and changed the name to SJ Infinite I Business Complex ("SJ Infinite I"). It is a new 30-floor office building on Paholyotin-Vibhavadee Road having a total area of approximately 45,000 sq.m. and leasable area of approximately 21,200 sq.m. for both office and retail spaces. The Group believes that investment expansion to the lease of such type of property will contribute to sustainable growth of rental income to the Group in the long run. It is also considered as a means to diversity risks.

¹ Approximately 20% of the available has been secured; the tenants are in the process of moving in.

In 2014, the Company issued the following Baht-4,500-mn debentures in 3 tranches to institutional investors and high net worth investors. As a result, it could lower its cost of debt compared to the previous MLR-based floating rate.

- In 2014, Quarter 1, the Company issued Baht-500-mn debentures with 3-year tenure at a coupon rate of 4.01% per annum.
- In 2014, Quarter 2, the Company issued Baht-1,810-mn debentures in 2 tranches. One was Baht-700-mn debentures with a 3-year tenure at a coupon rate of 3.75% per annum and the other was Baht-1,110-mn debentures with a 5-year tenure at a coupon rate of 4.42% per annum.
- In 2014, Quarter 3, the Company issued Baht-1,700-mn debentures in 4 tranches: Baht-435-mn, Baht-385-mn, Baht-600-mn and Baht-280-mn with tenures of 3, 5, 7 and 10 years at coupon rates of 3.85%, 4.40%, 4.70% and 5.00% per annum respectively.
- In 2014, Quarter 4, the Company issued Baht-200-mn debentures with tenure of 2.9 years at a coupon rates of 3.85% per annum and Baht-290-mn debentures with tenure of 4 years at a coupon rate of 4.00% per annum.

In December 2014, WHART was established by WHA Real Estate Management Co., Ltd. (“WHAREM”), a subsidiary of the Group which was also appointed as the REIT manager. The Company sold 11 warehouse buildings covering a total leasable area of 167,107 sq.m. to REIT at the value of Baht 4,385.2² mn.

In addition, in December 2014, the Company entered into a share purchase agreement (the “Agreement”) to buy 22.55% of the total paid-up shares of Hemaraj Land and Development Public Co., Ltd. (“Hemaraj”) from its major shareholders. It also declared its intention to have control in Hemaraj through a voluntary tender offer. The Company made the voluntary tender offer to acquire all Hemaraj shares at Baht 4.50 per share on the condition that it will cancel the tender offer if, at the end of the offer period, the number of shares offered is less than 50% of the issued shares. The Company foresees the potential in Hemaraj and a synergy from the merger of the two entities, in term of customer base expansion and increase in a variety of products, expansion into the upstream business and horizontal expansion, as well as enhanced competency through sharing of knowledge and expertise and ability to reduce cost. The Company also believes that the acquisition of Hemaraj will enable it to provide better one-stop and integrated services and will be a factor that will help the Company enjoy sustainable growth.

Financial Performance

Financial performance of the Company for the year ended 2014 is as follows:

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Revenue				
Rental and service income	500.5	551.1	50.6	10.01%
Income from sales of investment properties	6,585.0	4,336.8	(2,248.2)	(34.1%)
Dividend and property management income	66.8	146.7	79.9	119.6%
Other revenues	16.7	23.1	6.4	38.0%
Total revenues	7,169.0	5,057.7	(2,111.3)	(29.5%)

² The Company recognized revenue from such sale of Baht 4,336.8 mn due to guarantee provision provided by the Company for partial area sold to WHART, resulting in deferred revenue of Baht 48.5 mn.

Revenue

Total revenue for 2014 was Baht 5,057.7 mn, a decline by Baht 2,111.3 mn or 29.5% from 2013. The key factors are as follows:

1. **Rental and Service Income** stood at Baht 551.1 mn, up Baht 50.6 mn or 10.01% from last year. This was because the Company has improved the quality of warehouses to have more variety and become more sophisticated, for instance, temperature-controlled warehouses of both multi-temperature warehouses and cold storages, which have higher rent per square meter than the rent for built-to-suit warehouses with ambient temperature, as well as the handover of built-to-suit office building. These warehouses were gradually handed over to tenants in Quarter 3 and Quarter 4. This resulted in a growth in rental and service income even though at the end of 2014, the Company had total leased area of 255,462 sq.m., declined from 294,261 sq.m. at the end of the preceding year. Thanks to the business expansion to office building lease, the Company was able to recognize income from SJ Infinite I and built-to-suit office building on Bangna-Trad Road of Baht 7.4 mn in 2014. The increase in rental and service income was partially attributed to the increase in the rental and service rates for certain projects in accordance with the contract terms and conditions.
2. **Income from Sales of Investment Properties** to WHART in 2014 was Baht 4,385.2 mn. But since the Company undertook to guarantee the revenue for some area sold to WHART, the company incurred deferred revenue that cannot be recognize as sale revenue of Baht 48.5 mn. The Company will be able to recognize this portion of revenue if the Company can find tenant to fill the space before the end of the guarantee period. Therefore, in 2014, the Company recognized income from sales of properties, after deduction of revenue that cannot be recognized due guarantee obligation according to the accounting standard of Baht 4,336.8 mn, a decline by Baht 2,248.2 mn or 34.1% from 2013. This was because the Company sold properties with a total leasable area of Baht 167,107 sq.m. to WHART one time at the IPO of WHART's units in December vs. twice in 2013. The value of sales of properties to WHAPF or WHART each year depends on the amount of cash the Company needed for planned investment projects. Normally, the Company plan to sell properties once a year to keep the proportion of income between recurring income and income from sale of property balanced.

The sales of investment properties to WHART in 2014 was recorded as a true sale. In addition, such sales had no effect on future operation of the Company since the Company has been constantly developing projects for rent which can replace the assets sold to WHAPF or WHART, as it can be evidenced from the continued growth in the rental and service income. Moreover, the proceeds from asset sales were an important source of funds that the Company could use to finance future project development.
3. **Dividend and Property and REIT Management Income** was Baht 146.7 mn, comprising dividend revenue of Baht 98.2 mn from holding 140.9 million units or 15% of the total investment units as of 31 December 2014 and income from acting as the manager of WHART and from property management for WHAPF and WHART of Baht 48.5 mn. The dividend revenue grew by Baht 41.5 mn from last year from additional investment in WHAPF in 2013 while income from management of WHAPF and WHART rose by Baht 38.4 mn, mainly from REIT management fee of Baht 33.1 mn.
4. **Other revenues** consisted of interest income, utilities income, management fee, and other miscellaneous incomes which totaled Baht 23.1 mn, an increase by Baht 6.4 m. or 38.0% compared to those of 2013.

Cost and Gross Profit

1. Cost and Gross Profit from Rental and Service Income

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Rental and service income	500.5	551.1	50.6	10.1%
Cost of rental and service	179.0	219.0	40.0	22.4%
Gross profit	321.5	332.1	10.6	3.3%

Cost of rental and service are mainly composed of depreciation, land lease, project development cost, leasehold right amortization, insurance premiums, maintenance cost, property and signboard taxes, electricity and water, and electricity and water installation cost.

The rental and service cost in 2014 amounted to Baht 219.0 mn, up by Baht 40.0 mn or 22.4% from 2013. This resulted mainly from the increase in depreciation and land lease payment. The increase was, however, in line with the growth in the rental and service revenue of the Company.

According to Thai Financial Reporting Standards 5 (Revised 2012), the Company will reclassify investment properties that the Company has a solid plan to sell to WHAPF or WHART as Non-Current Assets Held for Sale under Current Assets and will discontinue the depreciation of such projects.

The Company posted gross profit margin for rental and service income in 2013 and 2014 of 64.2% and 60.3% respectively, resulting partly from the costs and expenses related to the acquisition of SJ Infinite I Business Complex. Such building is a new building; therefore, the Company was able to recognize the income gradually only from tenants who have just started to move in whereas all the costs and expenses were incurred from the date the possession of the building was transferred to the company. An example of these expenses was depreciation that must be fully recognized even though the space has not been fully leased. In addition, area of some projects are not filled with tenants yet due to the initiation of Warehouse Farm project in which the Company develops general warehouses concurrently with the built-to-suit warehouses to accommodate tenants who immediately require smaller spaces. These vacant spaces have been gradually depreciated even though there is no immediate inflow of revenue.

The gross profit margin in 2014 did not change significantly when compared with that in 2013 and is still in line with the Company's plan to maintain it at around 65%. This is because the Company's warehouses, distribution centers, and factory buildings are of high quality and standard. The cost of repair and maintenance of investment property was relatively low. The Company is in the process of negotiating with some potential tenants whom it expects to lease vacant spaces. Moreover, the Company focuses to develop more variety of and more sophisticated warehouse buildings for which the rent per square meter is higher than the rent for the general built-to-suit warehouses. This will enable the profit margin to rise in the future.

2. Cost and Gross Profit from Sales of Investment Properties

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Income from sales of investment properties	6,585.0	4,336.8	(2,248.2)	(34.1%)
Cost of sales of investment properties	4,961.8	3,050.1	(1,911.7)	(38.5%)
Gross profit	1,623.2	1,286.6	(336.5)	(20.7%)

Cost of investment properties are made up of the book value of warehouses, distribution centers, and factories to be sold, as well as a special business tax and other fees.

The cost of sales of investment property in 2014 was Baht 3,050.1 mn, a decline by Baht 1,911.7 mn or 38.5% compared to that in 2013. This was in line with the one-time sale of the property in 2014. Gross profit margin from sales of investment properties in 2014 was 29.7%, increased from the previous year of 24.6%. Taking into account the actual income from sale of property before deduction of the guarantee obligation according to the accounting standard, the gross profit margin from sales of property in 2014 would equal 30.4%. The higher margin was attributed to the ability of WHART to secure funds from more sources than WHAPF. In addition to the funding from unitholders, WHART can acquire more borrowings and utilize the deposit to purchase properties in order to increase the rate of return to WHART unitholders, allowing the Company to sell property at a better price and enjoy better gross profit margin compared to the sale to WHAPF.

Expenses

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Administrative expenses	131.8	283.3	151.6	115.0%
Finance cost	182.9	294.8	112.0	61.2%

- Administrative Expenses** totaled Baht 283.3 mn, an increase by Baht 151.6 mn or 115.0% from last year. This was due to a rise in the costs and expenses associated with the acquisition of Hemaraj, e.g. the cost of financial advisor, legal advisor, independent financial advisor, and appraiser. However such cost does not occur in the ordinary course of the Company's business. The costs and expenses arising from the normal business operation alone was only Baht 157.6 mn. The administrative expenses then only increase by Baht 25.9 mn compared to that of 2013.
- Finance Cost** for 2014 was Baht 294.8 mn, up by Baht 112.0 mn or 61.2%, which is in line with the increase of Company's loan and the issuance of debentures due to business expansion and development of warehouses, distribution centers, and factory buildings. The weighted-average cost of debt in 2014 was at 3.76% p.a. which went down from 3.89% p.a. last year since the Company issued debentures and bills of exchange that carry lower interest rate than that of loans from financial institutions. Part of the proceeds from the issuance of debentures were used to repay some project loans with high interest rate.

Joint venture investment profit (loss) sharing

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Joint venture investment profit (loss) sharing	(1.3)	(7.7)	(6.5)	515.4%

Joint venture investment profit (loss) sharing consisted of share of profit (loss) from joint ventures with Gunkul Engineering Public Co., Ltd. to conduct solar rooftop business. The Company also partnered with KPN Group to form WHA KPN Alliance Co., Ltd. to develop warehouse projects for lease. In 2014, the profit (loss) sharing posted a loss of Baht 7.7 mn due primarily to sharing of loss from WHA KPN Alliance Co., Ltd. This was because the projects were under construction and therefore no income was recognized while some expenses must be recognized, e.g. land lease, office service fees and charges, and interest expense. Nonetheless, the joint ventures between the Company and Gunkul Engineering Public Co., Ltd. started to recognize profit sharing of Baht 1.8 mn.

Net Profit

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Net profit	1,463.5	978.6	(484.8)	(33.1%)
Net profit per share (Baht)	1.52	1.02	(0.5)	(33.1%)

Net Profits for 2013 and 2014 were Baht 1,463.5 mn and Baht 978.6 mn, a drop by Baht 484.8 mn or 33.1%. The main driver came from depreciation and other expenses related to the acquisition and operation of SJ Infinite I as well as non-recurring expenses associated with the acquisition of Hemaraj and the rising financial cost in relation to the Company's business expansion despite the lower average cost of debt. Moreover, the Company sold properties one time to WHART compared to twice in 2013. Given the rising rental and service income and management fee income from WHAPF and WHART, the net profit margin in 2014 of 19.3%, was only slightly decreased from 20.4% in 2013.

Financial Position

(Unit: Baht mn)	2013	2014	Increase (Decrease)	
Total assets	11,048.9	15,952.0	4,903.2	44.4%
Total liabilities	6,895.1	11,472.0	4,576.9	66.4%
Shareholders' Equity	4,153.8	4,480.1	326.3	7.9%

Assets

As of 31 December 2014, the Company had total assets of Baht 15,952.0 mn, consisting mainly of investment properties (net) of Baht 7,958.6 mn or 49.9%, non-current assets held for sale of Baht 3,305.0 mn or 20.7%, and investments in available-for-sale securities of Baht 1,851.3 mn or 11.6% of the total assets.

Total assets of the Company grew by Baht 4,903.2 mn or 44.4% from the previous year. This change was primarily attributed to the following factors.

1. Cash and Cash Equivalents

Cash and Cash Equivalents were equal to Baht 370.9 mn, a jump by Baht 51.1 mn or 16.0%, resulting from an increase in deposits at financial institutions of Baht 44.4 mn and an increase in cash and cheques on hand of Baht 6.8 mn, all of which were the working capital that the Company used in business operation.

2. Short-Term Investment

Short-term investment was Baht 1,815.0 mn, up by Baht 1,151.5 mn or 173.6%. This was investment in mutual funds which was classified as available-for-sale investment that may be sold if the Company needs capital for operation. The Company had been buying and selling investment units during the year with the net buying of Baht 1,149.9 mn and there was an unrealized gain from such investment of Baht 1.6 mn.

3. Advance for Construction

Advance for construction totaled Baht 24.8 mn, a decline by Baht 38.3 mn or 60.7%. Since projects under construction have significantly progressed or have been completed, the Company could amortize more advance for construction according to the construction progress.

4. **Non-Current Assets Held for Sale**

Non-current assets held for sale included warehouses, distribution centers and factories which would be divested into WHAPF or WHART. They amounted to Baht 3,305.0 mn, an increase by Baht 1,079.9 mn or 48.5% from last year. When assets were classified as non-current assets held for sale, the Company would stop depreciating them. At the end of 2014, the non-current assets held for sale consisted of (1) WHA Mega Logistics Center Wangnoi 61 project, (2) WHA Mega Logistics Center Chonlaharnpichit km 4 project, (3) WHA Mega Logistics Center Saraburi project, (4) WHA Mega Logistics Center Bangna-Trad km.19 project, and (5) DSG improvement and extension. All these projects are under the plan for sale by the end of 2015 and they were classified as non-current assets held for sale during the year while the non-current assets held for sale as of the end of 2013 were completely sold to REIT in December 2014.

5. **Investment in Available-for-Sale Securities**

Investment in available-for-sale was Baht 1,851.3 mn., increased by Baht 463.9 mn or 33.4%, as the Company invested in WHART 15% of the total units during the IPO of the WHART units in December, with the total investment of Baht 466.2 mn and there was an unrealized loss of Baht 2.3 mn during the year.

6. **Investment in Joint Ventures**

Investment in joint ventures accounted for Baht 286.4 mn, a rise by Baht 273.4 mn or 2,099.4% due to additional capital injection in the joint ventures between the Company and Gunkul Engineering Public Company Limited to increase the paid-up capital from 25% to 100% of the total capital. Therefore, the additional capital invested Baht 31.9 mn.

Furthermore, as a result of capital increase of WHA KPN Alliance Co., Ltd. of Baht 767.0 mn, which required paid-up capital of 50% of the share value, the additional investment in 2014 was Baht 249.2 mn. Moreover, The Company shared a loss of Baht 7.7 mn from all joint venture entities. The loss sharing primarily came from WHA KPN Alliance Co., Ltd. This was because the projects under the operation of WHA KPN Alliance Co., Ltd. were still under construction whereas the solar rooftop project operated by the joint venture between the Company and Gunkul Engineering Public Company Limited started to recognize profit of Baht 1.8 mn during the year.

7. **Investment Properties (Net)**

Investment properties (net) are made up of land, warehouses, factories, building improvement, utilities, and construction-in-progress that the Company has for rent and for sale to WHAPF or WHART. At the end of 2014, investment properties (net) stood at Baht 7,958.6 mn, an increase of Baht 1,791.4 mn or 29.0% from last year. This increase came mainly from the value of SJ Infinite I purchased from Major Group Develop, additional land on Bangna-Trad and Rama II roads that were purchased during the year and additional construction in progress, all of which totaled Baht 5,871.9 mn. During the year, investment properties of Baht 3,982.3 mn. were reclassified as non-current assets held for sale. They included (1) WHA Mega Logistics Center Wangnoi 61 project, (2) WHA Mega Logistics Center Chonlaharnpichit km 4 project, (3) WHA Mega Logistics Center Saraburi project, (4) WHA Mega Logistics Center Bangna-Trad km.19 project and, (5) DSG improvement and extension as well as (6) WHA Logistics Center Ladkrabang ICD Phase II which was already sold to WHART in 2014.

8. Leasehold Right (Net)

Leasehold right amounted to Baht 52.9 mn, reduced by Baht 11.0 mn or 17.3%. This decrease was due to an amortization during the year of Baht 2.2 mn. Moreover, the Company reclassified the leasehold right of Baht 8.9 mn for the WHA Mega Logistics Center Wangnoi 61 Project that it had planned to sell to WHART as non-current assets held for sale.

9. Other Non-Current Assets

Other non-current assets accounted for Baht 20.6 mn, an increase by Baht 7.8 mn or 60.8% mainly from deposits for purchase of land during the year of Baht 7.7 mn.

Liabilities

As of 31 December 2014, the Company posted total liabilities of Baht 11,472.0 mn, primarily made up of current portion of long-term borrowings from financial institutions, borrowings related directly to non-current assets held for sale, and long-term borrowings from financial institutions of Baht 3,058.1 mn or 26.7% of the total liabilities and trade and other payables of Baht 597.4 mn or 5.2% of the total liabilities.

The Company's total liabilities went up by Baht 4,576.9 mn or 66.4% from last year. A debt-to-equity ratio at the end of 2014 stood at 2.6 times while an interest bearing debt-to-equity ratio stood at 2.3 times. The key factors are as follows:

1. Borrowings from Financial Institutions (Net)

Borrowings from financial institutions, at the end of 2014, amounted to Baht 3,308.1 mn, an increase by 810.5 mn or 32.5%. They comprised short-term loans of Baht 250.0 mn, borrowings related to non-current assets held for sale of Baht 1,491.2 mn, and long-term borrowings and current portion of long-term borrowings of Baht 1,566.9 mn. The reason that borrowings went up in 2014 was due mainly to the change in long-term borrowings as the Company acquired additional borrowings and repaid loans during the year. The net increase in loans was Baht 759.2 mn. This amount was used in project development and purchase of land for project expansion.

The development of warehouses, distribution centers, and factories of the Company is considered long-term investments. In the past, long-term borrowings, in the form of project loans, has been used as the main source of fund to finance such development while the cash flow from operation has been used as working capital of the Company.

The Company has to comply with the debt covenant with financial institutions which requires that the Company maintain the debt-to-equity ratio of not more than 3.0 times and the interest bearing debt-to-equity ratio of not more than 2.5 times, as well as the bond covenant where the Company has to maintain the interest bearing debt-to-equity ratio of not more than 2.5 times.

2. Long-term Loans (Net)

At the end of 2014, long-term debentures totaled Baht 7,190.8 mn, an increase by Baht 4,495.5 mn. or 166.8% from the issuance of debentures to institutional and high-net-worth investors in the amount of Baht 4,500 mn in 5 tranches as detailed below.

	Size (Baht mn)	Tenure (years)	Coupon Rate (%)
27 Feb. 2014			
Total	500	3	4.01%
29 May 2014			
Tranche 1	700	3	3.75%
Tranche 2	1,110	5	4.42%
Total	1,810	4.2	4.16%
31 July 2014			
Tranche 1	435	3	3.85%
Tranche 2	385	5	4.40%
Tranche 3	600	7	4.70%
Tranche 4	280	10	5.00%
Total	1,700	6	4.46%
13 Oct. 2014			
Total	200	2.9	3.85%
25 Nov. 2014			
Total	290	4	4.00%

The coupon payment is made semiannually. The proceeds from the issue of the debentures are used for project development and expansion of the Company's business. This includes the purchase of SJ Infinite I. Moreover the debentures carry lower interest rates compared to those of loans from financial institutions. The Company therefore relied more on debentures as a source of funding for business expansion over the past period.

3. Trade and Other Payables

Trade and other payables at the end of 2014 amounted to Baht 597.4 mn, a decrease by Baht 525.7 mn or 46.8% from last year. Trade and other receivables are made up mainly of construction payable. Since construction during the year proceeded to completion before the end of the year for which payment has been made, the trade payables as at the end of the year dwindled compared to those at the end of last year.

Shareholders' Equity

As of 31 December 2014, the Company's shareholders' equity was Baht 4,480.1 mn, an increase of Baht 326.3 mn or 7.9% from the previous year. The major change came from profit from operation for 2014 of Baht 978.6 mn and the losses on remeasuring available-for-sale investments of Baht 0.56 mn. Moreover, on 27 May 2014, the Company paid stock dividends for 2013 performance of 45.9 million shares at a par value of Baht 1 per share at a ratio of 20:1 and cash dividends of Baht 651.8 mn, totaling Baht 697.7 mn or Baht 0.76 per share.

Liquidity and Cash Flow

Cash flow

For the year ended 31 December 2014

(Unit: Baht mn)	2013	2014	Increase (Decrease)
Net cash generated from (used in) operating activities	165.5	4.0	(161.5)
Net cash used in investing activities	(1,704.6)	(4,599.5)	2,894.9
Net cash from financing activities	884.4	4,646.6	3,762.1
Net increase (decrease) in cash and cash equivalents	(654.6)	51.1	705.7

1. Cash Flows from Operating Activities

Cash flows from operating activities in 2014 was Baht 4.0 mn, a decrease of Baht 161.5 mn from last year. The key changes in cash flows from operating activities along with the changes in assets and liabilities have already been mentioned in the above analysis of the financial performance and financial position.

2. Cash Flows from Investing Activities

Cash flows used in investing activities in 2014 totaled Baht 4,599.5 mn, increased by Baht 2,894.9 mn due primarily to the following factors.

Key Factors Contributing to Cash Flow Increase

Cash paid for purchase of investment properties declined by Baht 143.5 mn due to a slight drop in the value of completed projects in the year compared to 2013.

Cash paid for purchase of available-for-sale securities dropped by Baht 142.2 mn. This is the cash paid for purchase of investment units of WHAPF and WHART. The decline in cash payment in 2014 was attributed to the one-time investment in WHART totaling Baht 466.2 mn at the time of its IPO against twice occasions in 2013 at the time of the second and third capital increase of WHAPF.

Key Factors Contributing to Cash Flow Decrease

Cash received from sale of investment properties to WHAPF dropped by Baht 2,129.0 mn. This was because the Company sold properties to WHART once vs. twice in 2013, in turn resulting in a decline in cash payment of income tax on sale of investment properties by Baht 193.6 mn from 2013.

Cash paid (net cash received) for purchase of short-term investments increased by Baht 599.4 mn. They are investment in mutual funds as a means of cash management that the Company used to increase the return on investment.

Cash paid for the investment in joint ventures increased by Baht 266.5 mn from additional investment of Baht 31.9 mn in the joint ventures between the Company and Gunkul Engineering Public Company Limited and of Baht 249.2 mn in WHA KPN Alliance Company Limited.

Cash paid for purchase of building improvement and equipment rose by Baht 18.1 mn from the previous year. This was in line with the Company's business expansion.

3. Cash Flows from Financing Activities

Cash flow from financing activities amounted to Baht 4,646.6 mn, an increase of Baht 3,762.1 mn due to the following key factors.

Key Factors Contributing to Cash Flow Increase

Proceeds from bond issuance of Baht 4,500 mn during the year rose by Baht 1,800 mn less an underwriting fee of Baht 6.7 mn leaving the net cash received of Baht 4,493.3 mn.

Cash received (net cash paid) from long-term borrowings increased by Baht 2,663.3 mn. This was due primarily to the fact that in 2013, the Company repaid several borrowings. In other words, the amount of loan settlement was greater than the amount borrowed. The net amount paid for settlement was Baht 1,904.1. In 2014 the Company obtained more cash from borrowing than amount paid for loan settlement. The net amount received was Baht 759.2 mn.

Key Factors Contributing to Cash Flow Decrease

Cash paid as dividends on 27 May 2014 for 2013 performance rose by Baht 555.4 mn. This consisted of stock dividends paid at the ratio of 20:1 totaling 45.9 million shares at a par value of Baht 1 per share and cash dividends of Baht 651.8 mn.

Cash received (net cash paid) from short-term borrowings decreased by Baht 146.6 mn which was cash used as working capital of the Company.

Report of the Board of Directors' Responsibility for Financial Statement

The Board of Directors of the Company provided for the preparation of the financial statements to represent the Company's financial status and performance in the year 2014 in accordance with the Public Company Act B.E. 2535.

The Board of Directors emphasized on its duties and responsibilities as the directors of a listed company on the Stock Exchange of Thailand to control the business in accordance with the good corporate governance. The Board of Directors was responsible for the financial statements to be accurate, complete, transparent and appropriate to maintain the Company's assets, prevent from fraud and abnormalities, as well as in accordance with generally accepted accounting principles for the interests of shareholders and investors in acknowledging correct and reasonable information of the Company's financial status and performance.

The Board of Directors views that the consolidated financial statements of WHA Corporation Public Company Limited and its subsidiaries for the year 2014 jointly reviewed by the Audit Committee in collaboration with the Management and the auditor, PricewaterhouseCoopers ABAS Limited, were presented in a complete and reliable in compliance with the generally accepted accounting principles and all governing rules and regulations, with appropriate and consistent accounting policies and adequate information disclosure.



(Mr. Somyos Anantaprayoon)
Chairman of the Board of Directors

AUDITOR'S REPORT

To the Shareholders of WHA Corporation Public Company Limited

I have audited the accompanying consolidated and company financial statements of WHA Corporation Public Company Limited and its subsidiaries and of WHA Corporation Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2014, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

subsidiaries and of WHA Corporation Public Company Limited as at 31 December 2014, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Anothai Leekitwattana
Certified Public Accountant (Thailand) No. 3442
PricewaterhouseCoopers ABAS Ltd.

Bangkok
26 February 2015

Statements of Financial Position

As at 31 December 2014

	Notes	Consolidated		Company	
		31 December	31 December	31 December	31 December
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	370,937,609	319,822,524	330,693,850	298,692,401
Short-term investment	8	1,815,034,931	663,495,683	1,788,239,582	138,787
Trade and other receivables (net)	9	103,848,475	48,252,871	101,486,296	66,532,998
Short-term loan to related parties	37.3	12,900,000	-	12,900,000	-
Advance for construction		24,845,902	63,152,578	24,845,902	63,152,578
Other current assets	10	49,649,395	12,025,981	51,232,364	11,379,971
Non-current assets held for sale	11	3,304,961,616	2,225,070,960	3,304,961,616	2,225,070,960
Total current assets		5,682,177,928	3,331,820,597	5,614,359,610	2,664,967,695
Non-current assets					
Investments in available-for-sale	12	1,851,315,225	1,387,461,150	1,851,315,225	1,387,461,150
Investments in subsidiaries	13	-	-	908,650,884	898,276,917
Investments in joint ventures	14	286,402,472	13,021,557	295,400,183	14,279,293
Investment properties (net)	15	7,958,646,915	6,167,212,947	7,958,646,915	6,167,212,947
Leasehold rights (net)	16	52,907,343	63,953,042	52,907,343	63,953,042
Deferred income from operating lease agreements (net)		23,022,347	19,819,925	23,022,347	19,819,925
Building improvement and equipment (net)	17	66,840,695	43,441,896	66,429,835	43,441,884
Deferred income tax assets (net)	22	10,163,396	9,339,527	10,249,912	9,542,177
Other non-current assets (net)	18	20,556,136	12,786,991	20,502,633	12,786,991
Total non-current assets		10,269,854,529	7,717,037,035	11,187,125,277	8,616,774,326
Total assets		15,952,032,457	11,048,857,632	16,801,484,887	11,281,742,021

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Financial Position (Cont'd)

As at 31 December 2014

	Notes	Consolidated		Company	
		31 December	31 December	31 December	31 December
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings					
from financial institutions	19	250,000,000	198,688,257	250,000,000	198,688,257
Trade and other payables	20	597,440,478	1,123,148,689	624,422,023	1,084,994,956
Current portion of					
- long-term borrowings from					
financial institutions	19	391,218,800	87,000,000	391,218,800	87,000,000
- liability under finance lease agreements (net)	23	1,952,981	4,150,812	1,952,981	4,150,812
- cash received from unearned income	26	13,394,417	-	13,394,417	-
Short-term borrowings from subsidiaries	37.4	-	-	998,000,000	554,000,000
Advance received from rental and					
service income		20,866,472	21,337,045	20,819,212	21,289,784
Income tax payable		85,293,215	241,728,373	78,939,047	98,366,209
Liabilities related directly to					
non-current assets held for sale	11	1,562,662,781	832,202,962	1,562,662,781	832,202,962
Other current liabilities	24	8,236,192	21,496,797	8,014,498	20,855,384
Total current liabilities		2,931,065,336	2,529,752,935	3,949,423,759	2,901,548,364
Non-current liabilities					
Long-term borrowings from					
financial institutions (net)	19	1,175,712,200	1,501,917,490	1,175,712,200	1,501,917,490
Debentures (net)	21	7,190,770,138	2,695,283,363	7,190,770,138	2,695,283,363
Liability under finance lease agreements (net)	23	2,501,990	4,454,971	2,501,990	4,454,971
Deposits from long-term lease agreement	25	122,171,657	151,284,564	122,171,657	151,284,564
Cash received from unearned income	26	33,312,784	-	33,312,784	-
Employee benefit obligations	27	10,307,471	8,376,294	10,307,471	8,376,294
Other non-current liabilities		6,119,438	3,994,988	6,119,438	3,994,988
Total non-current liabilities		8,540,895,678	4,365,311,670	8,540,895,678	4,365,311,670
Total liabilities		11,471,961,014	6,895,064,605	12,490,319,437	7,266,860,034

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Financial Position (Cont'd)

As at 31 December 2014

	Notes	Consolidated		Company	
		31 December	31 December	31 December	31 December
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital	28				
Authorised share capital					
963,892,119 ordinary shares of par Baht 1 each		<u>963,892,119</u>		<u>963,892,119</u>	
917,998,474 ordinary shares of par Baht 1 each			<u>917,998,474</u>		<u>917,998,474</u>
Issued and paid-up share capital					
963,891,769 ordinary shares of par Baht 1 each		963,891,769		963,891,769	
917,992,494 ordinary shares of par Baht 1 each			917,992,494		917,992,494
Capital surplus from additional acquisition					
of subsidiaries by share swap		172,861,100	172,861,100	202,175,962	202,175,962
Share premium on ordinary shares	28	1,548,743,732	1,548,743,732	1,548,743,732	1,548,743,732
Retained earnings					
Appropriated - Legal reserve	29.1	90,000,000	42,000,000	90,000,000	42,000,000
Unappropriated		1,711,289,570	1,478,347,942	1,513,414,778	1,310,932,638
Other components of equity	30	<u>(6,714,728)</u>	<u>(6,152,241)</u>	<u>(7,060,791)</u>	<u>(6,962,839)</u>
Equity attributable to owners of the parent		<u>4,480,071,443</u>	<u>4,153,793,027</u>	<u>4,311,165,450</u>	<u>4,014,881,987</u>
Non-controlling interests		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>4,480,071,443</u>	<u>4,153,793,027</u>	<u>4,311,165,450</u>	<u>4,014,881,987</u>
Total liabilities and shareholders' equity		<u>15,952,032,457</u>	<u>11,048,857,632</u>	<u>16,801,484,887</u>	<u>11,281,742,021</u>

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Comprehensive Income

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014 Baht	2013 Baht	2014 Baht	2013 Baht
Rental and service income	11, 15	551,132,283	500,496,474	551,132,283	465,609,208
Income from sales of investment properties		4,336,756,425	6,584,951,433	4,336,756,425	3,591,900,805
Cost of rental and service		(219,006,294)	(178,989,386)	(218,954,503)	(177,264,930)
Cost of investment properties		(3,050,108,698)	(4,961,775,351)	(3,050,108,698)	(2,383,204,619)
Gross profit		1,618,773,716	1,944,683,170	1,618,825,507	1,497,040,464
Other income	31	169,797,963	83,521,216	133,889,443	452,373,981
Administrative expenses		(283,335,313)	(131,759,063)	(276,574,435)	(127,358,835)
Finance costs	32	(294,827,675)	(182,867,515)	(313,566,391)	(190,642,932)
Share of loss of joint ventures	14.1	(7,739,975)	(1,257,736)	-	-
Profit before income tax expense		1,202,668,716	1,712,320,072	1,162,574,124	1,631,412,678
Income tax expense	34	(224,053,477)	(248,861,663)	(214,418,373)	(164,059,696)
Net profit for the year		978,615,239	1,463,458,409	948,155,751	1,467,352,982
Other comprehensive expense:					
Losses on re-measuring available-for-sale investments		(562,487)	(100,390,105)	(97,952)	(101,200,703)
Other comprehensive expense for the year - net of tax		(562,487)	(100,390,105)	(97,952)	(101,200,703)
Total comprehensive income for the year		978,052,752	1,363,068,304	948,057,799	1,366,152,279
Profit attributable to:					
Owners of the parent		978,615,239	1,463,458,409	948,155,751	1,467,352,982
Non-controlling interests		-	-	-	-
Net profit for the year		978,615,239	1,463,458,409	948,155,751	1,467,352,982
Total comprehensive income attributable to:					
Owners of the parent		978,052,752	1,363,068,304	948,057,799	1,366,152,279
Non-controlling interests		-	-	-	-
Total comprehensive income for the year		978,052,752	1,363,068,304	948,057,799	1,366,152,279
Earnings per share for profit attributable to the equity holders of the parent					
Basic earnings per share (Baht)	35	1.02	1.52	0.98	1.52

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2014

	Consolidated (Baht)									
	Owners of the parent					Other components of equity				
	Authorised, issued and fully paid-up share capital	Premium on share capital	Capital surplus from share swap	Retained earnings		Total owners of the parent	Other comprehensive income	- Gain (loss) on re-measuring available-for-sale investments	Total owners of the parent	Total
				Appropriated - legal reserve	Unappropriated					
Opening balance as at 1 January 2013 (previously reported)	510,000,000	1,548,743,732	172,861,100	-	692,582,600	117,797,330	3,041,984,762			3,041,984,762
Adjustment for adopting new accounting policy	-	-	-	-	(131,368,723)	(23,559,466)	(154,928,189)			(154,928,189)
Opening balance as at 1 January 2013 (after adjustment)	510,000,000	1,548,743,732	172,861,100	-	561,213,877	94,237,864	2,887,056,573			2,887,056,573
Change in equity for the year 2013										
Issuance ordinary shares of stock dividend	407,992,494	-	-	-	(407,992,494)	-	-	-	-	-
Legal reserve	-	-	-	42,000,000	(42,000,000)	-	-	-	-	-
Dividend paid	-	-	-	-	(96,331,850)	-	(96,331,850)	-	(96,331,850)	(96,331,850)
Total comprehensive income (expense) for the year	-	-	-	-	1,463,458,409	(100,390,105)	1,363,068,304			1,363,068,304
Closing balance as at 31 December 2013	917,992,494	1,548,743,732	172,861,100	42,000,000	1,478,347,942	(6,152,241)	4,153,793,027			4,153,793,027

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 December 2014

		Consolidated (Baht)									
		Owners of the parent					Other components of equity				
Notes		Authorised, issued and fully paid-up share capital	Premium on share capital	Capital surplus from share swap	Retained earnings		Other comprehensive income - Loss on re-measuring available-for-sale investments	Total owners of the parent			Total
					Appropriated - legal reserve	Unappropriated					
	Opening balance as at 1 January 2014	917,992,494	1,548,743,732	172,861,100	42,000,000	1,478,347,942	(6,152,241)	4,153,793,027			4,153,793,027
	Change in equity for the year 2014										
28, 29.2	Issuance ordinary shares of stock dividend	45,899,275	-	-	-	(45,899,275)	-	-			-
29.1	Legal reserve	-	-	-	48,000,000	(48,000,000)	-	-			-
29.2	Dividend paid	-	-	-	-	(651,774,336)	-	(651,774,336)			(651,774,336)
	Total comprehensive income (expense) for the year	-	-	-	-	978,615,239	(562,487)	978,052,752			978,052,752
	Closing balance as at 31 December 2014	963,891,769	1,548,743,732	172,861,100	90,000,000	1,711,289,570	(6,714,728)	4,480,071,443			4,480,071,443

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 December 2014

	Company (Baht)						
	Notes	Authorised, issued and fully paid-up share capital	Premium on share capital	Capital surplus from share swap	Retained earnings		Other components of equity
					Appropriated - legal reserve	Unappropriated	
Opening balance as at 1 January 2013 (previously reported)							
Adjustment for adopting new accounting policy		510,000,000	1,548,743,732	202,175,962	-	385,947,991	117,797,330
		-	-	-	-	3,956,009	(23,559,466)
		510,000,000	1,548,743,732	202,175,962	-	389,904,000	2,764,665,015
Opening balance as at 1 January 2013 (after adjustment)							
Change in equity for the year 2013							
Issuance ordinary shares of stock dividend		407,992,494	-	-	-	(407,992,494)	-
Legal reserve		-	-	-	42,000,000	(42,000,000)	-
Dividend paid		-	-	-	-	(96,331,850)	(96,331,850)
Total comprehensive income (expense) for the year		-	-	-	-	1,467,352,982	(101,200,703)
		917,992,494	1,548,743,732	202,175,962	42,000,000	1,310,932,638	(6,962,839)
Closing balance as at 31 December 2013							
		917,992,494	1,548,743,732	202,175,962	42,000,000	1,310,932,638	4,014,881,987

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 December 2014

	Notes	Company (Baht)						Other components of equity		Total
		Authorised, issued and fully paid-up share capital	Premium on share capital	Capital surplus from share swap	Retained earnings		Unappropriated	Other comprehensive income - Loss on re-measuring available-for-sale investments		
					Appropriated - legal reserve					
Opening balance as at 1 January 2014		917,992,494	1,548,743,732	202,175,962	42,000,000	1,310,932,638			(6,962,839)	4,014,881,987
Change in equity for the year 2014										
Issuance ordinary shares of stock dividend	28, 29.2	45,899,275	-	-	-	(45,899,275)			-	-
Legal reserve	29.1	-	-	-	48,000,000	(48,000,000)			-	-
Dividend paid	29.2	-	-	-	-	(651,774,336)			-	(651,774,336)
Total comprehensive income (expense) for the year		-	-	-	-	948,155,751			(97,952)	948,057,799
Closing balance as at 31 December 2014		963,891,769	1,548,743,732	202,175,962	90,000,000	1,513,414,778			(7,060,791)	4,311,165,450

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Cash Flows

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expense		1,202,668,716	1,712,320,072	1,162,574,124	1,631,412,678
Adjustments for:					
Allowance for doubtful account	9	7,404,359	-	7,404,359	-
Share of loss of joint ventures	14.1	7,739,975	1,257,736	-	-
Loss from termination of joint ventures		-	149,084	-	149,084
Depreciation expenses					
- Investment properties	15	164,809,387	125,758,382	164,809,387	125,758,382
- Building improvement and equipment	17	11,836,493	6,548,864	11,781,531	6,541,135
Amortisation		2,408,005	5,136,079	2,396,457	5,136,079
Gain from disposal of investment properties		(1,286,647,727)	(1,623,176,082)	(1,286,647,727)	(1,208,696,186)
(Gain) loss from disposal of building improvement		(100,034)	2,463,758	(100,034)	2,463,758
Gain from sale of short-term investment	31	(8,911,432)	(4,214,109)	(5,892,311)	(3,870,459)
Deferred income from operating lease agreements		(13,513,788)	(14,897,322)	(13,513,788)	(14,897,322)
Employee benefit obligations	27	1,931,177	6,971,137	1,931,177	6,971,137
Interest income	31	(2,424,460)	(7,754,315)	(2,379,941)	(7,761,493)
Dividend income	31	(98,249,153)	(56,721,600)	(98,249,153)	(406,721,573)
Finance costs - interest expense	32	294,827,675	182,867,515	313,566,391	190,642,932
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):					
Trade and other receivables		(62,837,741)	(28,879,841)	(42,195,435)	(54,638,853)
Other current assets		(37,623,414)	53,073,231	(39,852,393)	45,906,832
Other non-current assets		(8,058,562)	(6,680,634)	(7,993,511)	(6,479,457)
Trade and other payables		132,510,630	(2,057,539)	133,424,774	(1,659,196)
Advance received from rental and service income		(470,573)	(29,961,044)	(470,572)	2,628,579
Other current liabilities		(13,260,605)	18,422,073	(12,840,886)	18,028,076
Deposits from long-term lease agreement		(72,222,765)	(43,882,049)	(72,222,765)	11,075,928
Cash received from unearned income		(1,779,925)	-	(1,779,925)	-
Other non-current liabilities		(5,392,400)	953,899	(5,392,400)	953,899
Cash flows generated from operating activities		214,643,838	297,697,295	208,357,359	342,943,960
Interest received		2,262,238	9,239,597	2,217,719	15,193,207
Proceeds from dividends received from property fund		98,249,153	56,721,600	98,249,153	56,721,600
Finance costs - interest expense		(243,563,714)	(164,308,287)	(245,063,980)	(152,892,531)
Income tax paid		(67,576,964)	(33,812,531)	(71,633,892)	(16,458,912)
Net cash generated (used in) from operating activities		4,014,551	165,537,674	(7,873,641)	245,507,324

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash paid for purchase of short-term investments	8	(6,361,000,000)	(4,340,000,000)	(5,885,000,000)	(3,454,000,000)
Proceeds from sale of short-term investments		5,220,000,000	3,798,400,002	4,105,000,000	3,574,400,001
Purchase of investment in available-for-sale	12	(466,185,000)	(608,374,200)	(466,185,000)	(608,374,200)
Cash paid for acquisition of investment in joint ventures	14.1	(281,120,890)	(14,598,000)	(281,120,890)	(14,598,000)
Cash paid for acquisition of investment in subsidiary	13	-	-	(10,000,000)	-
Cash paid for land deposit	18, 38.2	(7,659,000)	-	(7,659,000)	-
Purchase of building improvement and equipment	17	(35,816,626)	(17,730,266)	(35,350,816)	(17,730,266)
Purchase of investment properties		(6,538,212,862)	(6,681,750,631)	(6,491,604,145)	(5,990,788,838)
Capitalised interest for investment properties	15	(66,667,758)	(56,431,555)	(66,667,758)	(52,497,334)
Loans to related parties	37.3	(161,900,000)	-	(161,900,000)	-
Loans from related parties	37.3	149,000,000	-	149,000,000	74,394,004
Proceeds from disposals of investment properties (net tax)		4,263,122,651	6,392,142,260	4,263,122,651	3,492,967,658
Proceeds from disposals of building improvement and equipment		556,039	-	556,039	-
Cash paid for acquisition of leasehold rights	16	-	(56,243,364)	-	(56,243,364)
Proceeds from dividends received from subsidiary		-	-	-	507,169,963
Cash paid for disposals of investment property's income tax		(313,594,917)	(119,979,505)	(162,894,888)	(57,454,896)
Net cash used in investing activities		(4,599,478,363)	(1,704,565,259)	(5,050,703,807)	(2,602,755,272)
Cash flows from financing activities					
Proceeds from short-term borrowings	19	4,299,143,042	2,202,831,743	4,299,143,042	2,202,831,743
Proceeds from long-term borrowings	19	1,556,213,510	2,541,821,169	1,556,213,510	2,231,821,169
Payments on short-term borrowings	19	(4,249,143,042)	(2,006,193,925)	(4,249,143,042)	(2,006,193,925)
Payments on long-term borrowings	19	(797,000,000)	(4,445,928,867)	(797,000,000)	(3,675,623,346)
Finance lease principal payments	23	(4,150,812)	(6,646,769)	(4,150,812)	(6,646,769)
Proceeds from borrowings from subsidiaries	37.4	-	-	1,099,000,000	1,277,000,000
Payment from borrowings from subsidiaries	37.4	-	-	(655,000,000)	(937,225,000)
Proceeds from debentures	21	4,500,000,000	2,700,000,000	4,500,000,000	2,700,000,000
Underwriting fee for debentures	21	(6,709,465)	(5,110,950)	(6,709,465)	(5,110,950)
Dividend paid	29.2	(651,774,336)	(96,331,850)	(651,774,336)	(96,331,850)
Net cash from financing activities		4,646,578,897	884,440,551	5,090,578,897	1,684,521,072
Net increase (decrease) in cash and cash equivalents		51,115,085	(654,587,034)	32,001,449	(672,726,876)
Cash and cash equivalents - beginning balance		319,822,524	974,409,558	298,692,401	971,419,277
Cash and cash equivalents - ending balance		370,937,609	319,822,524	330,693,850	298,692,401
Non-cash transaction					
Addition of investment properties					
- Trade accounts payable		353,871,365	1,059,959,657	353,253,370	1,012,732,945
Addition of assets from financial lease	23	-	8,494,799	-	8,494,799
Issuance ordinary shares of stock dividend	28, 29.2	45,899,275	407,992,494	45,899,275	407,992,494
Accounts payable for investment in subsidiaries	13.2	-	-	373,967	-
Income tax paid					
Total cash flows used in income tax expense for the period		(381,171,881)	(153,792,036)	(234,528,780)	(73,913,808)

The accompanying notes on pages 13 to 73 are an integral part of these consolidated and company financial statements.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2014

1 General information

WHA Corporation Public Company Limited (“the Company”) was registered as a limited company and resident in Thailand on 25 September 2007. On 23 April 2012 the Company has registered the conversion to Public Company Limited and has registered to change its name from “WHA Corporation Company Limited” to “WHA Corporation Public Company Limited” with the Ministry of Commerce. The address of the Company’s registered office is as follows:

1121 Moo.3 Theparak Road, Theparak, A.Mueang Samut Prakarn, Samut Prakarn.

The principal business operations of the Company and its subsidiaries (“the Group”) are providing rental for factory, warehouse and other properties and selling of investment property.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes the Company and its subsidiaries are referred to as the Group.

These consolidated and company financial statements were authorised by the Board of Directors on 26 February 2015.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards

Effective for the periods beginning on or after 1 January 2014:

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee benefits
TAS 21 (revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 2 (revised 2012)	Share-based payment
TFRS 3 (revised 2012)	Business combinations
TFRS 5 (revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10	Interim financial reporting and impairment
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease

Accounting standards and financial reporting standards and interpretations which are relevant to the Group are as follows:

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This revised standard has no impact to the Group's financial statements.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This revised standard has no impact to the Group's financial statements.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012). This revised standard has no impact to the Group's financial statements.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. This revised standard has no impact to the Group's financial statements.

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2014: (Cont'd)

TAS 18 (revised 2012) removes the appendix to TAS 18. This revised standard has no impact to the Group's financial statements.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. This revised standard has no impact to the Group's financial statements.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange difference relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. This revised standard has no impact to the Group's financial statements.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This revised standard has no impact to the Group's financial statements.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This revised standard has no impact to the Group's financial statements.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. This revised standard has no impact to the Group's financial statements.

TAS 38 (revised 2012) clarifies about intangible assets acquired in a business combination that is separable. Intangible assets should be recognised separately from goodwill. Complementary assets may only be recognised as a single asset if they have similar useful lives. This revised standard has no impact to the Group's financial statements.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation. This revised standard has no impact to the Group's financial statements.

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2014: (Cont'd)

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in TFRS 3 (revised 2012) also applies to all share-based payment transactions that are part of a business combination. This revised standard has no impact to the Group's financial statements.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires. This revised standard has no impact to the Group's financial statements.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This revised standard has no impact to the Group's financial statements.

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. This revised interpretation has no impact to the Group's financial statements.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of TRIC 4. This revised interpretation has no impact to the Group's financial statements.

TFRIC 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. This revised interpretation has no impact to the Group's financial statements.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. This revised interpretation has no impact to the Group's financial statements.

TSIC15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. This revised interpretation has no impact to the Group's financial statements.

TSIC27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS17 "Leases". This guidance explains examples that individually demonstrate that an arrangement may not, in substance, involve a lease under TAS 17. The accounting shall reflect the substance of the arrangement. This revised interpretation has no impact to the Group's financial statements.

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2015

a) Financial reporting standards, which are expected to have a significant impact to the Group

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 27 (revised 2014) provide the requirements relating to separate financial statements. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

2.2 New accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards and new financial reporting standards (Cont'd)

Effective for the periods beginning on or after 1 January 2015 (Cont'd)

a) Financial reporting standards, which are expected to have a significant impact to the Group (Cont'd)

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. The Group's management assessed that the revised standard has no impact to the Group's financial statements.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. The Group's management is assessing whether the revised standard would have an impact to the Group's financial statements.

TFRIC 14 (Revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The Group's management assessed that the revised interpretation has no impact to the Group's financial statements.

b) There are 41 accounting standards, financial reporting standards, and related interpretations with minor changes and do not have impact to the Group.

New financial reporting standard which is effective for the periods beginning on or after 1 January 2016 and is not relevant to the Group is:

TFRS4 (revised 2014)

Insurance contracts

2.3 Investments in subsidiaries and investments in joint ventures

(a) Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The Company uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions with non-controlling interests

The Company treats transactions with non-controlling interests as transactions with equity owners of the Company. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Company ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Company had directly disposed of the related assets or liabilities.

2.3 Investments in subsidiaries and investments in joint ventures (Cont'd)

(c) Joint Ventures

Joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the ventures.

Investment in joint ventures are accounted for using the equity method and cost method in the consolidated and company financial statements, respectively.

A list of the Group's principal joint ventures and the effects of acquisitions and disposals of joint ventures are shown in Note 14.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Baht, which is the company's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.5 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, other short-term highly liquid investments with maturities of three months or less from date of acquisition and are not used as collateral and bank overdrafts. In the consolidated and company statement of financial position, bank overdrafts are shown within borrowing in current liabilities.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the amount per contract and original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expense.

2.7 Non-current assets held for sale

Non-current assets are classified as non-current assets held for sales and presented as current assets if their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. A non-current asset held for sales is not depreciated while it is classified as held for sale. They are stated at the lower of the carrying amount and fair value less cost to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

The Group will classify investment properties and related leasehold rights as non-current assets held for sale once the criteria above are met. In addition, the Group will also classify other assets related to non-current asset held for sales which will be disposed when non-current assets held for sales are sold.

Other assets which relate to non-current assets held for sale comprise deferred income from operating lease agreements and other non-current assets.

2.8 Investment

The Group classified investments other than investments in subsidiaries and investments in joint ventures into available-for-sale investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

Investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Available for sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gains and losses of available for sale investments are recognised in equity.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses (if any).

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and Warehouses	30 and 40 Years
Building improvements	20, 25 and 40 Years
Utilities systems	10 and 20 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.10 Capitalisation of borrowing costs

Borrowing costs to finance the construction of property and equipment are capitalised during the period of time that is required to complete and prepare the property for its intended use as part of cost of the asset. The borrowing costs include interest on short-term and long-term borrowings.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is a weighted average interest rate applicable to the Group's outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of property and equipment, the amount of borrowing costs eligible for capitalisation on that asset is determined at the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investments of those borrowings.

2.11 Leasehold rights

Expenditure on acquired leasehold right is capitalised and amortised using the straight line method over the lease period, generally over 20 to 30 years.

2.12 Building improvement and equipment

Building improvement and equipment are stated at cost less any accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on building improvement and equipment is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building improvement	20 Years
Office equipment	5 Years
Warehouse equipment	5 Years
Vehicles	5 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.14).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other net gains or losses' in profit or loss.

2.13 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3 years.

2.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Deferred income from operating lease agreements

Deferred income from the operating lease agreement is incurred from the recognition of rental and service income by adjusting rental and service agreement rates to straight-line recognition over the term of the rental and service agreement.

The Group will stop using the straight-line method to recognise rental and service income once the investment property and related assets are classified as non-current assets held for sale.

2.16 Long-term leases

Long-term leases - where a Group company is the lessee

Operating leases

Long-term leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Long-term leases - where a Group Company is the lessor

Operating leases

Assets leased out under operating leases are included in investment properties in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with investment properties. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.17 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in statement of comprehensive income over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.18 Employee benefits

The Group recognises a liability and an expense for bonuses and expected benefit. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

The Group's employee benefits comprise of typically defined benefit plans. An amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period and adjusted with unrecognised past-service costs. The defined benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged to profit or loss.

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2.19 Provisions - general

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provisions exclude the provisions for employee benefits. The accounting policy for employee benefit is mentioned in note 2.18 Employee benefits.

2.20 Liabilities from finance lease

Leases of assets which substantially transfer all the risks and rewards of ownership to the lessee are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance charge is charged to the profit or loss over the lease period. The assets acquired under finance lease contracts is depreciated over the shorter period of the useful life of the asset or the lease term.

2.21 Share Capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.22 Financial assets and financial liabilities

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investment, trade and other accounts receivable, short-term to related parties and investment in available-for-sale. Financial liabilities carried on the statement of financial position include bank overdrafts and short-term borrowing from a financial institution, trade and other accounts payable, short-term borrowing from related parties, long-term borrowing from financial institutions, liabilities under finance lease agreements, certain parts of current liabilities, and debenture. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.23 Revenue recognition

Revenue from sale of investment property comprises the fair value for consideration received or receivable which does not include sales within the Group for the consolidated financial statements (if any). Revenue from sale of investment property is recognised when significant risks and reward of ownership are transferred to the buyer.

Rental income and service income from operating lease agreements are recognised by using the straight-line method over the rental and service term agreement. Income is recognised on the accrual basis, but such income recognised is discontinued and the collection basis will be applied when reasonable doubt exists as to timely collectability or if payment is contractually over six months past due (if any).

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company.

Dividend income is recognised when the right to receive payment is established.

2.24 Finance costs

Finance costs comprise interest expense from bank loans, debentures, related parties, liabilities under finance lease contracts, and amortisation of bonds issue fee.

2.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.26 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.27 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The Group's principle business operations are providing rental for factory, warehouse, and other properties and sale of investment property in the same geographic area which is in Thailand. There has been presented segment information by business only.

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks including cash flow from interest rate risk and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management under policies approved by the Board of Directors. They evaluate and hedge financial risks, provide principles for overall risk management, as well as related policies covering specific areas.

3.1.1 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.1.2 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that rental and services are provided to customers with an appropriate credit history. Deposits are limited to high credit quality financial institutions.

3.1.3 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Finance Director before execution. The Group has no significant interest-bearing assets. However, the Group has entered into long-term borrowing agreements with financial institutions bearing floating interest rates. The Group has not entered into interest rate swap contract covering the interest rate risk for such borrowings. The Group also issued debentures with fixed interest rates. For those debentures, the Group has entered into an interest rate swap contract to swap fixed interest rates for floating interest rates for some debenture balances (Note 21) in order to reduce finance costs. The management believe that effect of interest rate fluctuation on long-term borrowing agreements with financial institutions and interest rate swap contract will not materially affect the Group.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Interest rate risk (Cont'd)

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2014 and 2013 are summarised as follows:

	Consolidated					
	2014 (Baht)					
	Mark to market	Fixed interest rate remaining period before maturity date or repricing rate		Without interest	Total	Interest rate (%) Float rate Fixed rate
		maturity less than 1 year	1-10 years			
Financial assets						
Cash and cash equivalents	-	363,150,545	-	7,787,064	370,937,609	-
Short-term investment	-	-	-	1,815,034,931	1,815,034,931	-
Trade and other accounts receivable	-	-	-	103,848,475	103,848,475	-
Investment in available-for-sale	-	-	-	1,851,315,225	1,851,315,225	-
Total financial assets	-	363,150,545	-	3,777,985,695	4,141,136,240	0.10 - 1.10
Financial liabilities						
Short-term borrowing from a financial institution	250,000,000	-	-	-	250,000,000	MLR -2.00
Current portion of long-term borrowings from financial institutions	391,218,800	-	-	-	391,218,800	MLR -2.375 to MLR -1.75
Current portion of liability under finance lease agreements (net)	-	1,952,981	-	-	1,952,981	-
Trade and other payables	-	-	-	597,440,478	597,440,478	-
Long-term borrowings from financial institutions (net)	1,175,712,200	-	-	-	1,175,712,200	MLR -2.375 to MLR -1.75
Liability under finance lease agreements (net)	-	-	2,501,990	-	2,501,990	-
Liabilities related directly to non-current assets held for sale	1,562,662,781	-	-	-	1,562,662,781	MLR -2.375 to MLR -1.50
Debentures (net)	-	-	7,190,770,138	-	7,190,770,138	-
Total financial liabilities	3,379,593,781	1,952,981	7,193,272,128	597,440,478	11,172,259,368	3.75 - 5.00

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.3 Interest rate risk (Cont'd)

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2014 and 2013 are summarised as follows: (Cont'd)

	Consolidated					
	2013 (Baht)					
	Mark to market	Fixed interest rate		Without interest	Total	Interest rate (%) Float rate
		maturity date or less than 1 year	remaining period before repricing rate 1-10 years			
Financial assets						
Cash and cash equivalents	-	68,792,146	-	251,030,378	319,822,524	-
Short-term investment	-	-	-	663,495,683	663,495,683	-
Trade and other accounts receivable	-	-	-	48,252,871	48,252,871	-
Investment in available-for-sale	-	-	-	1,387,461,150	1,387,461,150	-
Total financial assets	-	68,792,146	-	2,350,240,082	2,419,032,228	0.50 - 2.20
Financial liabilities						
Bank overdrafts and short-term borrowing from a financial institution	-	198,688,257	-	-	198,688,257	-
Current portion of long-term borrowings from financial institutions	87,000,000	-	-	-	87,000,000	MLR-2.00 to MLR
Current portion of liability under finance lease agreements (net)	-	4,150,812	-	-	4,150,812	-
Trade and other payables	-	-	-	1,123,148,689	1,123,148,689	-
Long-term borrowings from financial institutions (net)	1,501,917,490	-	-	-	1,501,917,490	MLR-2.375 to MLR
Liability under finance lease agreements (net)	-	-	4,454,971	-	4,454,971	-
Liabilities related directly to non-current assets held for sale	832,202,962	-	-	-	832,202,962	MLR-1.50 to MLR
Debentures (net)	-	-	2,695,283,363	-	2,695,283,363	-
Total financial liabilities	2,421,120,452	202,839,069	2,699,738,334	1,123,148,689	6,446,846,544	4.24 - 4.84
						4.47 - 10.64
						4.47 - 10.64
						4.24 - 4.84

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instrument, which comprises interest rate swap agreements. Such instrument is not recognised in the financial statements on inception.

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap contract is recognised as a component of interest revenue or expense over the period of the agreement. Gains and losses on early termination of interest rate swaps or on repayment of the borrowing are taken to profit or loss.

Disclosures about derivative financial instruments to which the Group is a party are provided in Note 36.

3.3 Fair value estimation

The fair values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group/Company for similar financial instruments.

Information on the fair values of borrowings is included in Note 19.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit obligations.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 27.

Allowance for doubtful accounts

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the default or inability of customers to make required payments. The allowance is based on consideration of historical collection experience, known and identified instances of default of each customer.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The Group's principle business operations are providing rental for factory, warehouse, and other properties and sale of investment property in the same geographic area which is in Thailand. There has been presented segment information by business only.

The Board of Director assesses the performance of the operating segments based on revenues from segment. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Revenues between segments are carried out at arm's length. The revenue from external parties reported to the Board of Director is measured in a manner consistent with that in the income statement.

Financial information by business segment for the years ended 31 December 2014 and 2013 comprise the following:

	Consolidated (Baht)					
	Rental of warehouse and service providing business		Sale of investment property		Total	
	2014	2013	2014	2013	2014	2013
Revenues from operations	551,132,283	500,496,474	4,336,756,425	6,584,951,433	4,887,888,708	7,085,447,907
Cost	(219,006,294)	(178,989,386)	(3,050,108,698)	(4,961,775,351)	(3,269,114,992)	(5,140,764,737)
Revenues from segment	<u>332,125,989</u>	<u>321,507,088</u>	<u>1,286,647,727</u>	<u>1,623,176,082</u>	1,618,773,716	1,944,683,170
Other income					169,797,963	83,521,216
Administrative expenses					(283,335,313)	(131,759,063)
Finance costs					(294,827,675)	(182,867,515)
Gain (loss) on investment in joint ventures					(7,739,975)	(1,257,736)
Profit before income tax expense					1,202,668,716	1,712,320,072
Income tax expense					(224,053,477)	(248,861,663)
Net profit for the year					<u>978,615,239</u>	<u>1,463,458,409</u>

	Consolidated (Baht)					
	Rental of warehouse and service providing business		Sale of investment property		Total	
	2014	2013	2014	2013	2014	2013
Segment assets	8,054,454,223	6,263,018,292	3,304,961,616	2,225,070,960	11,359,415,839	8,488,089,252
Unallocated assets	-	-	-	-	4,592,616,618	2,560,768,380
Consolidated total assets					<u>15,952,032,457</u>	<u>11,048,857,632</u>
Segment liabilities	7,950,964,512	3,240,461,763	1,562,662,781	832,202,962	9,513,627,293	4,072,664,725
Unallocated liabilities	-	-	-	-	1,958,333,721	2,822,399,880
Consolidated total liabilities					<u>11,471,961,014</u>	<u>6,895,064,605</u>
Depreciation and amortisation	68,686,291	116,604,677	96,123,096	9,153,705	164,809,387	125,758,382
Unallocated depreciation	-	-	-	-	11,836,493	6,548,864
Unallocated amortisation	-	-	-	-	2,408,005	5,136,079
Consolidated total depreciation and amortisation					<u>179,053,885</u>	<u>137,443,325</u>

Cash and cash equivalents as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Cash	128,063	149,524	113,871	143,315
Cheque on hand	7,548,681	765,333	7,548,681	765,333
Deposits at financial institutions				
- saving accounts	363,149,375	68,790,990	322,971,125	47,713,593
- current accounts	110,320	250,115,521	59,003	250,069,004
- 3-month time deposits	1,170	1,156	1,170	1,156
Total	370,937,609	319,822,524	330,693,850	298,692,401

As at 31 December 2014 and 2013, the interest rates for deposits at financial institutions were as follows:

	Consolidated		Company	
	2014 % per annum	2013 % per annum	2014 % per annum	2013 % per annum
Deposits at financial institutions				
- saving accounts	0.10 - 0.50	0.50 - 0.60	0.10 - 0.50	0.50 - 0.60
-3-month time deposits	1.10	2.00 - 2.20	1.10	2.00 - 2.20

8 Short-term investment

Short-term investment as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Unit trust-saving bond which are classified as available-for-sale investment	1,812,393,695	662,482,263	1,786,030,925	138,614
Add Unrealised gain on fair value of available-for-sale investment	2,641,236	1,013,420	2,208,657	173
Total	1,815,034,931	663,495,683	1,788,239,582	138,787

Short-term investment for the year ended 31 December 2014 and 2013 have the following movement:

	Consolidated		Company	
	2014 Baht	2013 Baht	2013 Baht	2013 Baht
Beginning balance	663,495,683	116,668,156	138,787	116,668,156
Purchase unit trust-saving bond during the year	6,361,000,000	4,340,000,000	5,885,000,000	3,454,000,000
Sale of unit trust-saving bond during the year	(5,211,088,568)	(3,794,185,893)	(4,099,107,689)	(3,570,529,542)
Unrealised gain on fair value of available-for-sale investment	1,627,816	1,013,420	2,208,484	173
Ending balance	1,815,034,931	663,495,683	1,788,239,582	138,787

As at 31 December 2014, the Group has short-term investment amounting to Baht 1,815,034,931 (2013 : Baht 663,495,683) represents local mutual fund units at banks which was held on a short-term basis.

Trade and other receivables as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Trade accounts receivable - Other companies	35,348,795	31,146,963	35,099,652	30,170,655
<u>Less</u> Allowance for doubtful account	<u>(7,404,359)</u>	<u>-</u>	<u>(7,404,359)</u>	<u>-</u>
Trade accounts receivable - other companies (net)	27,944,436	31,146,963	27,695,293	30,170,655
Accounts receivable on deposit	45,300,318	7,326,296	45,300,318	7,326,296
Accrued rental income	6,140,150	-	6,140,150	-
Other receivables				
- Related companies	-	230,000	-	19,830,500
- Prepaid insurance and expense	3,338,889	1,806,121	3,338,889	1,806,121
- Advance payment - other companies	8,540,331	2,655,002	6,086,476	2,323,562
- Advance payment - employees	-	86,366	-	86,366
- Advance payment - establishment of foreign subsidiaries	4,585,603	-	4,926,422	-
- Advance payment - joint ventures	-	1,992,061	-	1,992,061
- Refundable deposits	5,432,669	2,295,724	5,432,669	2,293,724
- Utility receivable	2,403,857	534,090	2,403,857	534,090
- Others	162,222	180,248	162,222	169,623
Total trade and other receivables	<u>103,848,475</u>	<u>48,252,871</u>	<u>101,486,296</u>	<u>66,532,998</u>

Trade accounts receivable - other companies were classified by aging as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Accounts receivable within due for payment	9,004,400	11,002,037	8,771,142	10,025,729
Aging of accounts receivable overdue for payment 1-10 months	26,344,395	20,144,926	26,328,510	20,144,926
Total trade accounts receivable - other companies	35,348,795	31,146,963	35,099,652	30,170,655
<u>Less</u> Allowance for doubtful account	<u>(7,404,359)</u>	<u>-</u>	<u>(7,404,359)</u>	<u>-</u>
Total trade accounts receivable - other companies	<u>27,944,436</u>	<u>31,146,963</u>	<u>27,695,293</u>	<u>30,170,655</u>

As at 31 December 2014, the Group had trade accounts receivable - other companies of Baht 26,344,395 (31 December 2013 : Baht 20,144,926) that were overdue for payment. The management has reviewed the aforementioned receivable's ability to meet its obligation and considered to set an allowance for doubtful accounts of Baht 7,404,359 (31 December 2013 : Nil).

Other current assets as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
VAT refundable	35,667,859	539,887	37,265,395	-
Suspense VAT	7,496,802	8,956,245	7,482,235	8,850,122
Receivable from interest rate swap contract (Note 21)	6,484,734	2,529,849	6,484,734	2,529,849
Total	49,649,395	12,025,981	51,232,364	11,379,971

11 Non-current assets held for sale

Non-current assets held for sale for the year ended 31 December 2014 have the following movement:

Non-current assets held for sale

	For the year ended 31 December 2014 Consolidated and Company			
	Investment properties Baht	Leasehold rights Baht	Deferred income from operating lease agreement Baht	Other non- current assets Baht
Beginning balance	2,140,527,134	76,077,431	6,003,372	2,463,023
Additions during the period	3,982,336,013	8,861,281	10,311,366	6,369,795
Disposals during the period	(2,827,689,926)	(76,077,431)	(15,823,592)	(8,396,850)
Ending balance	3,295,173,221	8,861,281	491,146	435,968

Liabilities related directly to non-current assets held for sale

	For the year ended 31 December 2014 Consolidated and Company			
	Current portion of long-term borrowings Baht	Interest payable Baht	Deposits from long-term lease agreement Baht	Deferred expenses from operating lease agreement Baht
Beginning balance	710,000,000	510,616	114,175,496	7,516,850
Additions during the period	1,491,200,000	397,143	71,065,638	-
Decrease during the period	(710,000,000)	(510,616)	(114,175,496)	(7,516,850)
Ending balance	1,491,200,000	397,143	71,065,638	-

Group of non-current assets held for sale and liabilities related directly to non-current assets held for sale as at 31 December 2014 and 2013 are as follows:

		Consolidated		Company	
	Notes	2014 Baht	2013 Baht	2014 Baht	2013 Baht
<u>Non-current assets held for sale</u>					
Investment properties	15	3,295,173,221	2,140,527,134	3,295,173,221	2,140,527,134
Leasehold rights	16	8,861,281	76,077,431	8,861,281	76,077,431
		3,304,034,502	2,216,604,565	3,304,034,502	2,216,604,565
Other related assets:					
- Deferred income from operating lease agreement		491,146	6,003,372	491,146	6,003,372
- Other non-current assets		435,968	2,463,023	435,968	2,463,023
Total		3,304,961,616	2,225,070,960	3,304,961,616	2,225,070,960
<u>Liabilities related directly to non-current assets held for sale</u>					
Current portion of long-term borrowings	19	1,491,200,000	710,000,000	1,491,200,000	710,000,000
Interest payable		397,143	510,616	397,143	510,616
Deposits from long-term lease agreement	25	71,065,638	114,175,496	71,065,638	114,175,496
Deferred expenses from operating lease agreement		-	7,516,850	-	7,516,850
Total		1,562,662,781	832,202,962	1,562,662,781	832,202,962

As at 31 December 2014, non-current assets held for sale comprised of 5 projects total amount of Baht 3,304.03 million and Baht 3,304.03 million recorded in the consolidated and company financial statement, respectively (31 December 2013 : 2 projects total amount of Baht 2,216.60 million and Baht 2,216.60 million recorded in consolidated and company financial statement, respectively).

As at 31 December 2014 and 2013, some non-current assets held for sale has been mortgaged as collateral for facilities of a long-term borrowing (Note 19).

Details of income generated from the non-current assets held for sale which are presented in comprehensive income statement for the year ended 31 December 2014 and 2013 are as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Rental income and service income after reclassification to non-current assets held for sale	265,236,661	127,624,068	265,236,661	103,462,624

Investment in available-for-sale for the year ended 31 December 2014 and 2013 have the following movement:

	Consolidated and Company	
	2014 Baht	2013 Baht
Beginning balance	1,387,461,150	653,188,000
<u>Add</u> Purchase during the year		
- Unit of WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund	-	860,774,200
- Unit trusts of WHA Premium Growth Freehold and Leasehold Real Estate Trust	466,185,000	-
Loss from change in revaluation of investment	(2,330,925)	(126,501,050)
Total	1,851,315,225	1,387,461,150

Investment in available-for-sale as at 31 December 2014 and 2013 comprise the following:

	Consolidated and Company					
	2014 Baht			2013 Baht		
	The Fund	The Trust	Total	The Fund	The Trust	Total
Unit of investment in available-for-sale	1,396,174,200	466,185,000	1,862,359,200	1,396,174,200	-	1,396,174,200
Unrealised loss on fair value of available-for-sale investment	(8,713,050)	(2,330,925)	(11,043,975)	(8,713,050)	-	(8,713,050)
Total	1,387,461,150	463,854,075	1,851,315,225	1,387,461,150	-	1,387,461,150

The Group invested in unit of the Fund and the Trust in order to maintain the Company's unit-holding at the proportion of 15%. The Group's own capital, loans from financial institutions and proceeds from the issuing of bonds (if any) have been applied to such unit subscription.

13 Investments in subsidiaries

13.1 The change in book value of investments in subsidiaries for the year ended 31 December 2014 and 2013 can be analysed as follows:

	Company	
	2014 Baht	2013 Baht
Book value at the beginning of year	898,276,917	898,276,917
Addition during the year		
- WHA Real Estate Management Co., Ltd.	10,000,000	-
- WHA Corporation (International) Co., Ltd.	331,132	-
- WHA Corporation (Hongkong) Co., Ltd.	42,835	-
Book value at the end of year	908,650,884	898,276,917

13.2 Details of investments in subsidiaries as at 31 December 2014 and 2013 are as follows:

	Nature of business	Country of incorporation	Percentage of holding		Paid-up share capital (total)		Company Cost method	
			2014 %	2013 %	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Warehouse Asia Alliance Co., Ltd.	Providing rental factories, warehouses, and other properties	Thailand	100	100	310,000,000	310,000,000	566,876,956	566,876,956
WHA Alliance Co., Ltd.	Providing rental factories, warehouses, and other properties	Thailand	100	100	260,000,000	260,000,000	331,399,961	331,399,961
WHA Real Estate Management Co., Ltd.	Trust manager for investment property	Thailand	100	-	10,000,000	-	10,000,000	-
WHA Corporation (International) Co., Ltd.	Investing in other companies	Republic of Mauritius	100	-	331,132	-	331,132	-
WHA Corporation (Hongkong) Co., Ltd.	Investing in other companies	Hongkong	100	-	42,835	-	42,835	-
							<u>908,650,884</u>	<u>898,276,917</u>

WHA Real Estate Management Co., Ltd.

On 23 April 2014, WHA Real Estate Management Co., Ltd. was established to operate the business as a trust manager for investment property with 100,000 shares at par value of Baht 100 per share, totalling registered shares of Baht 10,000,000. The Company invested in 99,997 shares, which represent 100% of the total shares and were fully paid-up.

WHA Corporation (International) Co., Ltd.

On 30 September 2014, WHA Corporation (International) Co., Ltd. was established to operate the business for investing in other companies with 10,000 shares at par value of USD 1 per share, totalling registered shares of USD 10,000. The Company invested in 10,000 shares, which represents 100% of the total shares. As at 31 December 2014, the Company had accounts payable for investment of Baht 331,132.

WHA Corporation (Hongkong) Co., Ltd.

On 3 November 2014, WHA Corporation (International) Co., Ltd. was established to operate the business for investing in other companies with 10,000 shares at par value of HKD 1 per share, totalling registered shares of HKD 10,000. The Company invested in 10,000 shares, which represents 100% of the total shares. As at 31 December 2014, the Company had accounts payable for investment of Baht 42,835.

- 14.1 The change in book value of investments in joint ventures for the year ended 31 December 2014 and 2013 can be analysed as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
As at 1 January	13,021,557	-	14,279,293	-
Acquisitions	281,120,890	14,598,000	281,120,890	14,598,000
Share of loss after tax	(7,739,975)	(1,257,736)	-	-
Disposals	-	(318,707)	-	(318,707)
As at 31 December	<u>286,402,472</u>	<u>13,021,557</u>	<u>295,400,183</u>	<u>14,279,293</u>

Joint ventures between WHA Corporation Public Company Limited and Gunkul Engineering Public Company Limited

On 28 February 2014, the Company made a payment for additional paid-up shares for 7 companies from 25% to 100%, totalling Baht 31,945,740. As at 31 December 2014, total investments in joint ventures were Baht 46,062,608 (31 December 2013 : Baht 14,116,868).

WHA KPN Alliance Co., Ltd.

On 2 January 2014, WHA KPN Alliance Co., Ltd. has registered the capital increase from Baht 1,000,000 to be Baht 768,000,000 by increasing the registered capital in amount of Baht 767,000,000 by issuing 7,670,000 new shares at the par value of Baht 100 each. The shareholding proportion of the Company and KPN Group still remain the same with 50% paid-up shares. As at 31 December 2014, total investment in joint venture with KPN Group was Baht 249,337,575 (31 December 2013 : Baht 162,425).

14 Investments in joint ventures (Cont'd)

14.2 Details of investments in joint ventures resident in Thailand as at 31 December 2014 and 2013 are as follows:

No.	Companies name	Business	Country of incorporation	Percentage of holding		Registered capital		Paid-up share capital (total)		Consolidated and Company Cost method	
				2014	2013	2014	2013	2014	2013	2014	2013
				%	%	Baht	Baht	Baht	Baht	Baht	Baht
1	WHA Gunkul Green Solar Roof 1 Co., Ltd.	producing and distributing of electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	11,500,000	11,500,000	11,500,000	2,875,000	8,623,850	2,155,963
2	WHA Gunkul Green Solar Roof 2 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	1,000,000	1,000,000	250,000	250,000	187,475	187,475
3	WHA Gunkul Green Solar Roof 3 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	14,500,000	14,500,000	14,500,000	3,625,000	10,873,550	2,718,388
4	WHA Gunkul Green Solar Roof 4 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	1,000,000	1,000,000	250,000	250,000	187,475	187,475
5	WHA Gunkul Green Solar Roof 5 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	1,000,000	1,000,000	250,000	250,000	187,475	187,475
6	WHA Gunkul Green Solar Roof 6 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	14,500,000	14,500,000	14,500,000	3,625,000	10,873,550	2,718,388

14 Investments in joint ventures (Cont'd)

14.2 Details of investments in joint ventures resident in Thailand as at 31 December 2014 and 2013 are as follows: (Cont'd)

No.	Companies name	Business	Country of incorporation	Percentage of holding		Registered capital		Paid-up share capital (total)		Consolidated and Company	
				2014 %	2013 %	2014 Baht	2013 Baht	2014 Baht	2013 Baht	2014 Baht	2013 Baht
7	WHA Gunkul Green Solar Roof 8 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	100,000	100,000	100,000	25,000	74,990	18,747
8	WHA Gunkul Green Solar Roof 9 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	100,000	100,000	100,000	25,000	74,990	18,747
9	WHA Gunkul Green Solar Roof 10 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	15,500,000	15,500,000	3,875,000	3,875,000	2,905,863	2,905,863
10	WHA Gunkul Green Solar Roof 16 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	100,000	100,000	100,000	25,000	74,990	18,747
11	WHA Gunkul Green Solar Roof 17 Co., Ltd.	producing and distributing electricity by solar photovoltaic rooftop	Thailand	74.99	74.99	16,000,000	16,000,000	16,000,000	4,000,000	11,998,400	2,999,600
12	WHA KPN Alliance Co., Ltd.	operating a premium warehouse and distribution centre project	Thailand	64.97	64.97	768,000,000	1,000,000	383,750,000	250,000	249,337,575	162,425
Total										295,400,183	14,279,293

There are no contingent liabilities relating to the Group's interests in the joint ventures.

As of 31 December 2014, the Company has pledged share certificates of WHA Gunkul Green Solae Roof, a joint venture, as a secure for borrowings. The details are as follows:

- 1) 862,384 Ordinary shares of WHA Gunkul Green Solar Roof 1 Company Limited
- 2) 1,087,354 Ordinary shares of WHA Gunkul Green Solar Roof 3 Company Limited
- 3) 1,087,354 Ordinary shares of WHA Gunkul Green Solar Roof 6 Company Limited
- 4) 1,199,839 Ordinary shares of WHA Gunkul Green Solar Roof 17 Company Limited

14.2 Details of investments in joint ventures resident in Thailand as at 31 December 2014 and 2013 are as follows: (Cont'd)

The Group has a 74.99 and 64.97 interest in a joint venture, WHA Gunkul Green Solar Roof 1, 2, 3, 4, 5, 6, 8, 9, 10, 16, 17 Co., Ltd., and WHA KPN Alliance Co., Ltd. which provides products and services in the producing and distributing of electricity by solar photovoltaic rooftop and the operating of a premium warehouse and distribution center project, respectively. The following amounts represent the Group's share of the assets and liabilities and sales and results of the joint venture and are included in the statement of financial position and statements of comprehensive income:

	Consolidated	
	2014	2013
	Baht	Baht
Non-current assets	360,208,537	97,769,958
Current assets	100,514,152	22,818,737
Total assets	460,722,689	120,588,695
Non-current liabilities	111,077,615	-
Current liabilities	63,257,802	106,476,262
Total liabilities	174,335,417	106,476,262
Net assets	286,387,272	14,112,433
Revenue	13,475,726	91
Expenses	21,215,701	1,257,827
Share of loss after tax	7,739,975	1,257,736

15 Investment properties (net)

Investment properties for the year ended 31 December 2013 have the following movement:

	Consolidated			
	Land Baht	Building, building improvement, and utilities system Baht	Construction in progress Baht	Total Baht
As at 1 January 2013				
Cost	750,941,792	2,764,875,175	505,082,712	4,020,899,679
Less Accumulated depreciation	-	(84,291,246)	-	(84,291,246)
Net book amount	750,941,792	2,680,583,929	505,082,712	3,936,608,433
For the year ended 31 December 2013				
Opening net book amount	750,941,792	2,680,583,929	505,082,712	3,936,608,433
Additions	2,641,696,664	17,308,144	4,602,385,103	7,261,389,911
Capitalised interest for investment properties	-	-	56,431,555	56,431,555
Transferred during the year	-	4,013,247,010	(4,013,247,010)	-
Transferred out to non-current assets held for sale	(610,907,846)	(4,350,550,724)	-	(4,961,458,570)
Depreciation	-	(125,758,382)	-	(125,758,382)
Closing net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
As at 31 December 2013				
Cost	2,781,730,610	2,326,322,676	1,150,652,360	6,258,705,646
Less Accumulated depreciation	-	(91,492,699)	-	(91,492,699)
Net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947

15 Investment properties (net) (Cont'd)

Investment properties for the year ended 31 December 2014 have the following movement:

	Consolidated			
	Land Baht	Building, building improvement, and utilities system Baht	Construction in progress Baht	Total Baht
As at 1 January 2014				
Cost	2,781,730,610	2,326,322,676	1,150,652,360	6,258,705,646
Less Accumulated depreciation	-	(91,492,699)	-	(91,492,699)
Net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
For the year ended 31 December 2014				
Opening net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
Additions	1,611,648,765	1,377,772,723	2,882,490,122	5,871,911,610
Capitalised interest for investment properties	-	-	66,667,758	66,667,758
Transferred during the year	131,545,851	3,963,191,253	(4,094,737,104)	-
Transferred out to non-current assets held for sale (Note 11)	(660,243,856)	(3,322,092,157)	-	(3,982,336,013)
Depreciation	-	(164,809,387)	-	(164,809,387)
Closing net book amount	3,864,681,370	4,088,892,409	5,073,136	7,958,646,915
As at 31 December 2014				
Cost	3,864,681,370	4,184,885,781	5,073,136	8,054,640,287
Less Accumulated depreciation	-	(95,993,372)	-	(95,993,372)
Net book amount	3,864,681,370	4,088,892,409	5,073,136	7,958,646,915

15 Investment properties (net) (Cont'd)

Investment properties for the year ended 31 December 2013 have the following movement:

	Company			
	Land Baht	Building, building improvement, and utilities system Baht	Construction in progress Baht	Total Baht
As at 1 January 2013				
Cost	622,991,791	2,764,875,173	450,916,717	3,838,783,681
Less Accumulated depreciation	-	(84,291,245)	-	(84,291,245)
Net book amount	622,991,791	2,680,583,928	450,916,717	3,754,492,436
For the year ended 31 December 2013				
Opening net book amount	622,991,791	2,680,583,928	450,916,717	3,754,492,436
Additions	2,606,738,828	17,308,144	3,952,870,353	6,576,917,325
Capitalised interest for investment properties	-	-	52,497,334	52,497,334
Transferred during the year	-	3,305,632,044	(3,305,632,044)	-
Transferred out to non-current assets held for sale (Note 11)	(448,000,009)	(3,642,935,757)	-	(4,090,935,766)
Depreciation	-	(125,758,382)	-	(125,758,382)
Closing net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
As at 31 December 2013				
Cost	2,781,730,610	2,326,322,676	1,150,652,360	6,258,705,646
Less Accumulated depreciation	-	(91,492,699)	-	(91,492,699)
Net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947

15 Investment properties (net) (Cont'd)

Investment properties for the year ended 31 December 2014 have the following movement:

	Company			
	Land Baht	Building, building improvement, and utilities system Baht	Construction in progress Baht	Total Baht
As at 1 January 2014				
Cost	2,781,730,610	2,326,322,676	1,150,652,360	6,258,705,646
<u>Less Accumulated depreciation</u>	-	(91,492,699)	-	(91,492,699)
Net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
For the year ended 31 December 2014				
Opening net book amount	2,781,730,610	2,234,829,977	1,150,652,360	6,167,212,947
Additions	1,611,648,765	1,377,772,723	2,882,490,122	5,871,911,610
Capitalised interest for investment properties	-	-	66,667,758	66,667,758
Transferred during the year	131,545,851	3,963,191,253	(4,094,737,104)	-
Transferred out to non-current assets held for sale (Note 11)	(660,243,856)	(3,322,092,157)	-	(3,982,336,013)
<u>Depreciation</u>	-	(164,809,387)	-	(164,809,387)
Closing net book amount	3,864,681,370	4,088,892,409	5,073,136	7,958,646,915
As at 31 December 2014				
Cost	3,864,681,370	4,184,885,781	5,073,136	8,054,640,287
<u>Less Accumulated depreciation</u>	-	(95,993,372)	-	(95,993,372)
Net book amount	3,864,681,370	4,088,892,409	5,073,136	7,958,646,915

The Group mortgaged land, building, and warehouse as securities for facilities of a short-term borrowing and a long-term borrowing (Note 19).

On 23 June 2014, the Company agreed to purchase the Equinox Office Tower, which later changed its name to SJ Infinite1 Business Center, under a purchase agreement for land with a building at Baht 1,515,000,000, and under a purchase agreement for equipment and infrastructure at Baht 500,000,000 and VAT of Baht 35,000,000 from the companies in the group of Major Development Public Company Limited (“Major Group”). The companies comprised MJP Property Co., Ltd. as the owner of land, and Major Development Public Company Limited as the owner of building. The project purchased would be for lease or sale to generate income and grow the company. The total value of the assets is Baht 2,015,000,000 (excluding VAT).

On 23 July 2014, the companies received the assets and rights of ownership. On 23 and 29 July 2014, the Company made additional payments of Baht 1,294,850,000 as required under the purchase agreement for land with a building, and of Baht 529,650,000 (including VAT) as required under the purchase agreement for equipment and infrastructure, totalling Baht 1,824,500,000. The remaining balance of Baht 19,500,000 (including VAT) and interest at MLR + 1% will be paid on the transfer of ownership date, which is within one year from 23 June 2014.

Fair values of the Group’s investment properties as at 31 December 2014 and 2013 were assessed by independent professionally qualified valuers, who hold a recognised relevant professional qualification and have recent experience in the locations and type of the investment properties assessed, using cost method and income method. Land and construction in progress were not valued since these assets have been under construction.

As at 31 December 2014, fair values of investment properties in the consolidated and company financial statements assessed is Baht 3,551 million (with net book value of Baht 3,259 million). The assets that were not assessed, which comprised land, building, and construction in progress for projects under construction, included in the consolidated and company financial statements, amounting to Baht 4,700 million. Management assessed that the fair values of those assets approximated their net book value.

As at 31 December 2013, fair values of investment properties in the consolidated and company financial statements assessed is Baht 361 million (with net book value of Baht 166 million). The assets that were not assessed included in the consolidated and company financial statements, amounting to Baht 6,001 million.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Consolidated		Company	
	financial information		financial information	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Rental income and service income	285,895,622	372,872,406	285,895,622	362,146,584
Direct operating expense arise from investment property that generated rental income for the period	119,700,967	158,970,816	119,653,045	157,430,937
Direct operating expense arise from investment property that did not generated rental income for the period	-	-	-	-

Leasehold rights for the year ended 31 December 2014 and 2013 have the following movement:

	Consolidated Baht	Company Baht
As at 1 January 2013		
Cost	171,685,699	171,685,699
<u>Less</u> Accumulated amortisation	(6,712,435)	(6,712,435)
Net book amount	<u>164,973,264</u>	<u>164,973,264</u>
For the year ended 31 December 2013		
Opening net book amount	164,973,264	164,973,264
Additions	56,243,364	56,243,364
Amortisation	(5,136,079)	(5,136,079)
Transfer to non-current assets held for sale	(152,127,507)	(152,127,507)
Closing net book amount	<u>63,953,042</u>	<u>63,953,042</u>
As at 31 December 2013		
Cost	65,943,606	65,943,606
<u>Less</u> Accumulated amortisation	(1,990,564)	(1,990,564)
Net book amount	<u>63,953,042</u>	<u>63,953,042</u>
	Consolidated Baht	Company Baht
As at 1 January 2014		
Cost	65,943,606	65,943,606
<u>Less</u> Accumulated amortisation	(1,990,564)	(1,990,564)
Net book amount	<u>63,953,042</u>	<u>63,953,042</u>
For the year ended 31 December 2014		
Opening net book amount	63,953,042	63,953,042
Additions	-	-
Amortisation	(2,184,418)	(2,184,418)
Transfer to non-current assets held for sale (Note 11)	(8,861,281)	(8,861,281)
Closing net book amount	<u>52,907,343</u>	<u>52,907,343</u>
As at 31 December 2014		
Cost	56,243,363	56,243,363
<u>Less</u> Accumulated amortisation	(3,336,020)	(3,336,020)
Net book amount	<u>52,907,343</u>	<u>52,907,343</u>

As at 31 December 2014 and 2013, leasehold rights represent leasehold rights in relation to investment properties. Leasehold rights have been mortgaged as collateral for facilities of a long-term borrowing (Note 19).

17 Building improvement and equipment (net)

Building improvement and equipment for the year ended 31 December 2013 have the following movement:

	Consolidated				
	Building improvement Baht	Office equipment Baht	Vehicle Baht	Building improvement in construction Baht	Total Baht
As at 1 January 2013					
Cost	10,763,431	7,590,028	14,228,954	-	32,582,413
Less Accumulated depreciation	(498,363)	(1,937,714)	(3,916,883)	-	(6,352,960)
Net book amount	10,265,068	5,652,314	10,312,071	-	26,229,453
For the year ended 31 December 2013					
Opening net book amount	10,265,068	5,652,314	10,312,071	-	26,229,453
Additions	322,776	3,407,258	20,570,286	1,924,745	26,225,065
Disposal - cost	-	-	(3,869,500)	-	(3,869,500)
- accumulated depreciation	-	-	1,405,742	-	1,405,742
Transferred during the year	1,924,745	-	-	(1,924,745)	-
Depreciation	(589,360)	(1,841,629)	(4,117,875)	-	(6,548,864)
Closing net book amount	11,923,229	7,217,943	24,300,724	-	43,441,896
As at 31 December 2013					
Cost	13,010,952	10,997,286	30,929,740	-	54,937,978
Less Accumulated depreciation	(1,087,723)	(3,779,343)	(6,629,016)	-	(11,496,082)
Closing net book amount	11,923,229	7,217,943	24,300,724	-	43,441,896

17 Building improvement and equipment (net) (Cont'd)

Building improvement and equipment for the year ended 31 December 2014 have the following movement:

	Consolidated				
	Building improvement Baht	Office equipment Baht	Warehouse equipment Baht	Vehicle Baht	Total Baht
As at 1 January 2014					
Cost	13,010,952	10,997,286	-	30,929,740	54,937,978
Less Accumulated depreciation	(1,087,723)	(3,779,343)	-	(6,629,016)	(11,496,082)
Net book amount	11,923,229	7,217,943	-	24,300,724	43,441,896
For the year ended 31 December 2014					
Opening net book amount	11,923,229	7,217,943	-	24,300,724	43,441,896
Additions	-	2,087,506	25,200,000	8,529,120	35,816,626
Disposal - cost	(20,000)	(451,679)	-	(503,520)	(975,199)
- accumulated depreciation	1,455	250,942	-	266,797	519,194
Transferred during the year	-	(125,329)	-	-	(125,329)
Depreciation	(650,501)	(2,340,068)	(1,237,838)	(7,608,086)	(11,836,493)
Closing net book amount	11,254,183	6,639,315	23,962,162	24,985,035	66,840,695
As at 31 December 2014					
Cost	12,990,952	12,496,491	25,200,000	38,955,340	89,642,783
Less Accumulated depreciation	(1,736,769)	(5,857,176)	(1,237,838)	(13,970,305)	(22,802,088)
Net book amount	11,254,183	6,639,315	23,962,162	24,985,035	66,840,695

Building improvement and equipment for the year ended 31 December 2013 have the following movement:

	Company			
	Building improvement Baht	Office equipment Baht	Vehicle Baht	Building improvement in construction Baht
				Total Baht
As at 1 January 2013				
Cost	10,763,431	7,462,371	14,228,954	32,454,756
Less Accumulated depreciation	(498,363)	(1,817,798)	(3,916,883)	(6,233,044)
Net book amount	10,265,068	5,644,573	10,312,071	26,221,712
For the year ended 31 December 2013				
Opening net book amount	10,265,068	5,644,573	10,312,071	26,221,712
Additions	322,776	3,407,258	20,570,286	26,225,065
Disposal - cost	-	-	(3,869,500)	(3,869,500)
- accumulated depreciation	-	-	1,405,742	1,405,742
Transferred during the year	1,924,745	-	-	(1,924,745)
Depreciation	(589,360)	(1,833,900)	(4,117,875)	(6,541,135)
Closing net book amount	11,923,229	7,217,931	24,300,724	43,441,884
As at 31 December 2013				
Cost	13,010,952	10,869,629	30,929,740	54,810,321
Less Accumulated depreciation	(1,087,723)	(3,651,698)	(6,629,016)	(11,368,437)
Net book amount	11,923,229	7,217,931	24,300,724	43,441,884

Building improvement and equipment for the year ended 31 December 2014 have the following movement:

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Leased assets included above, where the Group and the Company is a lessee under a finance lease, comprise vehicle:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Cost - capitalised finance leases	15,498,086	20,726,221	15,498,086	20,726,221
<u>Less</u> Accumulated depreciation	(5,906,243)	(6,060,276)	(5,906,243)	(6,060,276)
Net book amount	9,591,843	14,665,945	9,591,843	14,665,945

18 Other non-current assets (net)

Other non-current assets as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Deferred transfer fee - leasehold right (net)	4,111,401	5,047,307	4,111,401	5,047,307
Intangible assets - computer software (net)	678,518	754,613	625,015	754,613
Deposits for purchase of land	7,659,000	-	7,659,000	-
Others	8,107,217	6,985,071	8,107,217	6,985,071
	20,556,136	12,786,991	20,502,633	12,786,991

19 Borrowings

Borrowings as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current				
Short-term borrowings from financial institutions	250,000,000	198,688,257	250,000,000	198,688,257
Current portion of long-term borrowings from financial institutions	391,218,800	87,000,000	391,218,800	87,000,000
Total current borrowings	641,218,800	285,688,257	641,218,800	285,688,257
Liabilities related directly to non-current assets held for sale				
Current portion of long-term borrowings (Note 11)	1,491,200,000	710,000,000	1,491,200,000	710,000,000
Non-current				
Long-term borrowings from financial institutions (net)	1,175,712,200	1,501,917,490	1,175,712,200	1,501,917,490
Total non-current borrowings	1,175,712,200	1,501,917,490	1,175,712,200	1,501,917,490
Total	3,308,131,000	2,497,605,747	3,308,131,000	2,497,605,747

As at 31 December 2014, the Company had made repayment for the principle amount of the bill of exchange of Baht 1,650 million.

As at 31 December 2014, the Company has secured borrowings from a financial institution in Thailand in a total amount of Baht 250,000,000 (31 December 2013 : Nil). The borrowings from financial institutions have maturity within 1 year as from the date of the execution of the agreement with interest rate MLR - 2.00% per annum and repayment for principal and interest within specified period in agreement. This borrowing is secured by mortgaging the Company's land (Note 15).

As at 31 December 2014, the Company has unsecured borrowings from a financial institution in Thailand in a total amount of Baht 657,000,000 (31 December 2013 : Nil). The borrowings from financial institutions have maturity within 10 years as from the date of the execution of the agreement with interest rate MLR - 1.75% per annum and repayment for principal and interest within specified period in agreement.

As at 31 December 2014, the Company has secured borrowings from many financial institutions in Thailand in a total amount of Baht 2,401,131,000 (31 December 2013 : Baht 2,298,917,490). The borrowings from financial institutions have maturity within 2 years to 12 years as from the date of the execution of the agreement with interest rate between MLR - 2.375% per annum and MLR - 1.50% per annum (31 December 2013 : between MLR - 2.375% per annum and MLR - 1.50% per annum) and repayment for principal and interest within specified period in agreement. The borrowings are secured over the following:

- secured by mortgage of non-current assets held for sale (Note 11).
- secured by mortgage of the Company's land, building and warehouse (Note 15).
- secured by mortgage of leasehold rights (Note 16).
- transferred collection rights of rental warehouse agreement under long-term lease agreement to liabilities under borrowing from financial institution.

Under the loan agreements, the Group is required to maintain the specified financial ratio, the proportion of management shareholding and meet other requirements.

The movement in the borrowings can be analysed as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Beginning balance	2,497,605,747	4,207,345,780	2,497,605,747	3,742,719,667
Proceeds from - short-term borrowings	4,299,143,042	2,202,831,743	4,299,143,042	2,202,831,743
- long-term borrowings	1,556,213,510	2,541,821,169	1,556,213,510	2,231,821,169
Prepaid interest expense	(19,244,748)	-	(19,244,748)	-
Amortisation of discount	20,556,491	2,050,439	20,556,491	2,050,439
Payments on bank overdrafts	-	(4,320,592)	-	-
Payments on - short-term borrowings	(4,249,143,042)	(2,006,193,925)	(4,249,143,042)	(2,006,193,925)
- long-term borrowings	(797,000,000)	(4,445,928,867)	(797,000,000)	(3,675,623,346)
Ending balance	<u>3,308,131,000</u>	<u>2,497,605,747</u>	<u>3,308,131,000</u>	<u>2,497,605,747</u>

The Group's interest rate risks from borrowings are as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Borrowings:				
- at fixed rates	-	198,688,257	-	198,688,257
- at floating rates	3,308,131,000	2,298,917,490	3,308,131,000	2,298,917,490
Total borrowings	3,308,131,000	2,497,605,747	3,308,131,000	2,497,605,747

The exposure of the Group and the Company's borrowings to interest rate changes and the contractual re-pricing dates at the statement of financial position dates are as follows:

	Consolidated				
	6 months or less Baht	6 - 12 months Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Total borrowings as at 31 December 2014	72,500,000	2,059,918,800	660,000,000	515,712,200	3,308,131,000
Total borrowings as at 31 December 2013	235,188,257	760,500,000	1,295,218,800	206,698,690	2,497,605,747

	Company				
	6 months or less Baht	6 - 12 months Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Total borrowings as at 31 December 2014	72,500,000	2,059,918,800	660,000,000	515,712,200	3,308,131,000
Total borrowings as at 31 December 2013	235,188,257	760,500,000	1,295,218,800	206,698,690	2,497,605,747

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Company	
	2014 %	2013 %	2014 %	2013 %
- Borrowings from financial institutions	4.59 - 5.64	4.65 - 5.56	4.59 - 5.64	4.65 - 5.56

The carrying amounts of certain long-term borrowings are as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Short-term borrowings from financial institutions				
- Secure	-	-	-	-
- Unsecured	250,000,000	198,688,257	250,000,000	198,688,257
Total	250,000,000	198,688,257	250,000,000	198,688,257
Long-term bank borrowings				
- Secure	3,058,131,000	2,298,917,490	3,058,131,000	2,298,917,490
- Unsecured	-	-	-	-
Total	3,058,131,000	2,298,917,490	3,058,131,000	2,298,917,490
	3,308,131,000	2,497,605,747	3,308,131,000	2,497,605,747

Maturity of borrowings from financial institutions:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Within 1 year	2,132,418,800	995,688,257	2,132,418,800	995,688,257
Between 2 years and 5 years	660,000,000	1,295,218,800	660,000,000	1,295,218,800
Over 5 years	515,712,200	206,698,690	515,712,200	206,698,690
	3,308,131,000	2,497,605,747	3,308,131,000	2,497,605,747

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated		Company	
	2014		2014	
	Carrying amounts	Fair values	Carrying amounts	Fair values
	Baht	Baht	Baht	Baht
Borrowings from financial institutions	3,308,131,000	3,308,446,407	3,308,131,000	3,308,446,407
	3,308,131,000	3,308,446,407	3,308,131,000	3,308,446,407

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate which the management expects would be available to the Group and the company at the statement of financial position date. The carrying amounts of short-term borrowings and bank overdrafts approximate their fair values.

As a result of borrowings in Thai currency, the carrying amounts of borrowings approximate their fair value.

Borrowing facilities

The Group and the Company have the following undrawn committed borrowing facilities:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Floating rate - Expiring within 1 year	1,283,087,800	1,727,301,310	1,283,087,800	1,727,301,310
Floating rate - Expiring more than 1 year	-	-	-	-
	1,283,087,800	1,727,301,310	1,283,087,800	1,727,301,310

The facilities expiring within one year are annual facilities subject to review at various dates during years.

20 Trade and other payables

Trade and other payables as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Trade accounts payable	231,130,636	819,164,815	230,512,641	803,784,535
Retention under construction	122,740,729	240,794,842	122,740,729	208,948,410
Accrued interest expenses	82,645,638	34,776,187	111,268,028	46,160,127
Accrued expenses	22,618,767	22,032,781	21,359,189	19,995,054
Other accounts payable- advisory fee	124,174,226	-	124,174,226	-
- others	12,386,700	6,097,296	12,249,782	5,746,330
- related parties	-	-	373,967	88,128
Others	1,743,782	282,768	1,743,461	272,372
Total	597,440,478	1,123,148,689	624,422,023	1,084,994,956

Debentures and prepaid underwriting fee for debentures of the year ended 31 December 2014 and 2013 have the following movement:

	Consolidated and Company	
	2014 Baht	2013 Baht
Beginning balance	2,695,283,363	-
Additions during the period		
- Debenture - par value	4,500,000,000	2,700,000,000
- Underwriting fee for debenture	(6,709,465)	(5,110,950)
Amortised underwriting fee during the period	2,196,240	394,313
Ending balance	<u>7,190,770,138</u>	<u>2,695,283,363</u>

Debentures (net) as at 31 December 2014 and 2013 comprise the following:

	Consolidated and Company	
	2014 Baht	2013 Baht
Debenture - par value	7,200,000,000	2,700,000,000
<u>Less</u> Underwriting fee for debenture	<u>(9,229,862)</u>	<u>(4,716,637)</u>
Debenture (net)	7,190,770,138	2,695,283,363
Transfer to current portion of debenture (net)	-	-
Total	<u>7,190,770,138</u>	<u>2,695,283,363</u>
Deferred underwriting fee for debenture	11,426,102	5,110,950
<u>Less</u> Amortised underwriting fee during the year	<u>(2,196,240)</u>	<u>(394,313)</u>
Total	<u>9,229,862</u>	<u>4,716,637</u>

At the annual shareholders' meeting for the year 2013 and 2014 held on 17 April 2013 and 28 April 2014, the shareholders unanimously approved the issuance and offering of debentures not exceeding Baht 3,200 million and Baht 4,000 million, respectively.

During the year ended 31 December 2014, the Company issued and offered debentures, in named certificate, unsecured, unsubordinated, without a debenture holders' representative and without early redemption totalling Baht 4,220 million and debenture, in named certificate, unsecured, unsubordinated, with call option which the Company may redeem the Debentures prior to the maturity date subject to the conditions totaling Baht 280 million to investors based on the announcement made by The Securities and Exchange Commission. The proceeds from the issuance of debentures will be spent to repay the existing debts which help reduce the Company financial costs and to utilise as the Company's working capital for development of the existing and new projects and for business expansion. The debentures have a par value of Baht 1,000 per unit and interest is paid every 6 months. The repayment of principal is due on the maturity date

21 Debentures (net) (Cont'd)

As at 31 December 2014, the significant terms of debentures are as following:

No.	No. of units	Amount (Million Baht)	Fixed Interest rate for the entire term of debenture (% per annum)	Issue date	Term of debenture	Right of holders of debentures to redeem the debentures prior to the maturity date	Maturity date
1	1,630,000	1,630	4.24	20 September 2013	3 years from the issuing date	None	20 September 2016
2	500,000	500	4.55	20 September 2013	4 years from the issuing date	None	20 September 2017
3	570,000	570	4.84	20 September 2013	5 years from the issuing date	None	20 September 2018
4	500,000	500	4.01	27 February 2014	3 years from the issuing date	None	27 February 2017
5	700,000	700	3.75	29 May 2014	3 years from the issuing date	None	29 May 2017
6	1,110,000	1,110	4.42	29 May 2014	5 years from the issuing date	None	29 May 2019
7	435,000	435	3.85	31 July 2014	3 years from the issuing date	None	31 July 2017
8	385,000	385	4.40	31 July 2014	5 years from the issuing date	None	31 July 2019
9	600,000	600	4.70	31 July 2014	7 years from the issuing date	None	31 July 2021
10	280,000	280	5.00	31 July 2014	10 years from the issuing date	The Company may redeem the Debentures prior to the maturity date subject to the conditions	31 July 2024
11	200,000	200	3.85	13 October 2014	2 years 11 months 12 days from the issuing date	None	25 September 2017
12	290,000	290	4.00	25 November 2014	4 years from the issuing date	None	25 November 2018
Total		<u>7,200</u>					

The rights and obligations of the debenture issuer stipulate covenants relating to certain matters which requires the Company to maintain financial ratios, and other restrictions that would have negative material impacts on the ability to meet the debenture's obligation.

The fair values are based on discounted cash flows using government bond yields with a similar term to maturity to the debentures as the statement of financial position date. The carrying amount of debentures as at 31 December 2014 was Baht 7,409,845,054 (31 December 2013 : Baht 2,732,087,083), and was recorded in both the consolidated and company financial statements.

During the year ended 31 December 2014, the Company made interest-swap agreements with one commercial bank residing in Thailand. The purpose is to swap the interest rate of the debentures issued. The details are as following:

No.	Amount (Million Baht)	Term of debenture	Effective date (Issue date)	Receivable (payable) from interest-swap agreements	
				Consolidated and Company	
				2014 Baht	2013 Baht
Debenture No.1	1,630	Swap fixed-rate interest at 4.24% per annum through the debenture life to MLR - 3.06% per annum.	20 September 2013	-	2,529,849
Debenture No.3	570	Swap fixed-rate interest at 4.84% per annum through the debenture life of 3 years to the fixed rate at 4.32% in the first year, 4.84% in the second year, and MLR-2.20% in the third year.	20 March 2014	828,296	-
Debenture No.6	1,110	Swap fixed-rate interest at 4.42% per annum through the debenture life of 5 years to the fixed rate at 0.99% in the first year, 4.42% in the second to third year, and MLR-2.20% in the fourth to sixth year.	29 May 2014	-	-
Debenture No.9	600	Swap fixed-rate interest at 4.70% per annum through the debenture life of 7 years to MLR-1.75% in the first year, the fixed rate at 4.70% in the second to fifth year, and MLR-2.20% in the sixth to seventh year.	31 July 2014	5,656,438	-
Total effects from the interest-swap agreements (Note 10)				6,484,734	2,529,849

During the third quarter of 2014, the Company has cancelled the interest-swap agreement No.1.

22 Deferred income tax assets

Deferred income tax assets as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Deferred tax assets:				
Deferred tax asset to be utilised within 12 months	2,847,118	6,717,343	2,847,118	6,717,343
Deferred tax asset to be utilised after more than 12 months	12,348,741	6,876,872	12,435,257	7,079,522
Total deferred tax assets	15,195,859	13,594,215	15,282,375	13,796,865
Deferred tax liabilities:				
Deferred tax liabilities to be utilised within 12 months	(1,351,112)	(1,483,650)	(1,351,112)	(1,483,650)
Deferred tax liabilities to be utilised after more than 12 months	(3,681,351)	(2,771,038)	(3,681,351)	(2,771,038)
Total deferred tax liabilities	(5,032,463)	(4,254,688)	(5,032,463)	(4,254,688)
Deferred income tax assets (net)	10,163,396	9,339,527	10,249,912	9,542,177

The movement of deferred income tax assets for the year ended 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Beginning balance	9,339,527	(154,928,188)	9,542,177	(19,603,457)
Increase to profit or loss (Note 34)	683,247	139,170,189	683,247	3,845,458
Increase to the shareholders' equity	140,622	25,097,526	24,488	25,300,176
Ending balance	10,163,396	9,339,527	10,249,912	9,542,177

	Consolidated		Company	
	1 January 2014 Baht	Increase/ (decrease) to the statement of income Baht	Increase/ (decrease) to the shareholders' equity Baht	31 December 2014 Baht
Deferred income tax assets:				
Deposit from operating lease agreement (lease term more than 3 years)	8,328,558	(7,151,087)	-	1,177,471
Deferred expense from long-term lease agreement	2,302,367	(1,078,480)	-	1,223,887
Employee benefits obligation	1,425,230	349,149	-	1,774,379
Cash received from unearned income	-	9,341,440	-	9,341,440
(Gain)/loss from re-measurement of available-for-sale investment	1,538,060	-	140,622	1,678,682
	13,594,215	1,461,022	140,622	15,195,859
Deferred income tax liabilities:				
Depreciation of non-current assets held for sale deducted for tax basis	-	(648,214)	-	(648,214)
Deferred income from operating lease agreement	(3,311,361)	686,411	-	(2,624,950)
Bond issuance fee	(943,327)	(815,972)	-	(1,759,299)
	(4,254,688)	(777,775)	-	(5,032,463)
Deferred income tax assets (net)	9,339,527	683,247	140,622	10,163,396

	Consolidated		Company	
	1 January 2013 Baht	Increase/ (decrease) to the statement of income Baht	Increase/ (decrease) to the shareholders' equity Baht	31 December 2013 Baht
Deferred income tax assets:				
Deposit from operating lease agreement (lease term more than 3 years)	8,210,805	117,753	-	8,328,558
Deferred expense from long-term lease agreement	2,111,588	190,779	-	2,302,367
Employee benefits obligation	244,881	1,180,349	-	1,425,230
(Gain)/loss from re-measurement of available-for-sale investment	-	-	1,538,060	1,538,060
	10,567,274	1,488,881	1,538,060	13,594,215
Deferred income tax liabilities:				
Investment properties which longer useful life than tax basis	(9,193,007)	9,193,007	-	-
Depreciation of non-current assets held for sale deducted for tax basis	(569,123)	569,123	-	-
(Gain)/loss from re-measurement of available-for-sale investment	(23,559,466)	-	23,559,466	-
Deferred income from operating lease agreement	(6,422,449)	3,111,088	-	(3,311,361)
Bond issuance fee	-	(943,327)	-	(943,327)
Temporary difference from fair value uplift	(125,751,417)	125,751,417	-	-
	(165,495,462)	137,681,308	23,559,466	(4,254,688)
Deferred income tax assets (liabilities) (net)	(154,928,188)	139,170,189	25,097,526	9,339,527

The movement of deferred income tax assets for the year ended 31 December 2014 and 2013 comprise the following: (Cont'd)

	Company		
	1 January 2014 Baht	Increase/ (decrease) to the statement of income Baht	Increase/ (decrease) to the shareholders' equity Baht
Deferred income tax assets:			31 December 2014 Baht
Deposit from operating lease agreement (lease term more than 3 years)	8,328,557	(7,151,087)	-
Deferred expense from long-term lease agreement	2,302,368	(1,078,480)	-
Employee benefits obligation	1,425,230	349,149	-
Cash received from unearned income	-	9,341,440	-
(Gain)/loss from re-measurement of available-for-sale investment	1,740,710	-	24,488
	13,796,865	1,461,022	24,488
Deferred income tax liabilities:			
Depreciation of non-current assets held for sale deducted for tax basis	-	(648,214)	-
Deferred income from operating lease agreement	(3,311,361)	686,411	-
Bond issuance fee	(943,327)	(815,972)	-
	(4,254,688)	(777,775)	-
Deferred income tax assets (net)	9,542,177	683,247	24,488

	Company		
	1 January 2013 Baht	Increase/ (decrease) to the statement of income Baht	Increase/ (decrease) to the shareholders' equity Baht
Deferred income tax assets:			31 December 2013 Baht
Deposit from operating lease agreement (lease term more than 3 years)	4,158,181	4,170,376	-
Deferred expense from long-term lease agreement	2,111,588	190,780	-
Employee benefits obligation	244,881	1,180,349	-
(Gain)/loss from re-measurement of available-for-sale investment	-	-	1,740,710
	6,514,650	5,541,505	1,740,710
Deferred income tax liabilities:			
Depreciation of non-current assets held for sale deducted for tax basis	(569,123)	569,123	-
(Gain)/loss from re-measurement of available-for-sale investment	(23,559,466)	-	23,559,466
Deferred income from operating lease agreement	(1,989,518)	(1,321,843)	-
Bond issuance fee	-	(943,327)	-
	(26,118,107)	(1,696,047)	23,559,466
Deferred income tax assets (liabilities) (net)	(19,603,457)	3,845,458	25,300,176

The Royal Decrees issued on 21 December 2011, announces that a Company uses corporate income tax rate of 20% for two accounting periods beginning on or after 1 January 2013. Subsequently, a Royal Decrees was issued on 1 November 2014, to continue to use the corporate income tax rate of 20% for the accounting period beginning between 1 January 2015 and 31 December 2015. Then, deferred tax expected to be recovered more than 12 months after the fiscal year ended 31 December 2014 have been measured using a tax rate of 20%.

Liability under finance lease agreements as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Liability under finance lease agreement	5,073,795	9,724,521	5,073,795	9,724,521
<u>Less</u> Deferred interest expense	(618,824)	(1,118,738)	(618,824)	(1,118,738)
Liability under finance lease agreement (net)	4,454,971	8,605,783	4,454,971	8,605,783
<u>Less</u> Current portion	(1,952,981)	(4,150,812)	(1,952,981)	(4,150,812)
Liability under finance lease agreement (net)	2,501,990	4,454,971	2,501,990	4,454,971

The movement in the liability under finance lease agreements can be analysed as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Beginning balance	8,605,783	6,757,753	8,605,783	6,757,753
Additional finance lease	-	8,494,799	-	8,494,799
Finance lease principal payments	(4,150,812)	(6,646,769)	(4,150,812)	(6,646,769)
Ending balance	4,454,971	8,605,783	4,454,971	8,605,783

Finance lease liability - minimum lease payments:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Not later than one year	2,254,331	4,650,780	2,254,331	4,650,780
Later than 1 year but not later than 5 years	2,819,464	5,073,741	2,819,464	5,073,741
Total	5,073,795	9,724,521	5,073,795	9,724,521

To secure the liability under finance lease agreements, the finance lease agreement will be terminated if the company defaults.

The carrying amounts of liability under finance lease agreements approximate their fair value.

24 Other current liabilities

Other current liabilities as at 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Withholding tax payable	2,333,694	10,212,160	2,277,543	9,640,383
VAT payable	-	7,354,605	-	7,354,605
Withholding tax payable from dividend payment	2,808,784	2,564,123	2,666,977	2,564,123
Undue output VAT	3,001,537	1,318,076	2,986,802	1,248,440
Social security tax payable	92,177	47,833	83,176	47,833
Total	8,236,196	21,496,797	8,014,498	20,855,384

The movements in the deposits from long-term lease agreement for the year ended 31 December 2014 and 2013 can be analysed as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Beginning balance	151,284,564	252,277,622	151,284,564	245,905,622
Additions deposit during the year	152,992,240	231,955,414	152,992,240	212,714,282
Refunds deposit during the year	(76,561,322)	(34,771,795)	(76,561,322)	(34,771,795)
Transferred out to non-current assets held for sale				
- sold out during the year	(34,478,187)	(184,001,181)	(34,478,187)	(158,388,049)
- ending balance (Note 11)	(71,065,638)	(114,175,496)	(71,065,638)	(114,175,496)
Ending balance	<u>122,171,657</u>	<u>151,284,564</u>	<u>122,171,657</u>	<u>151,284,564</u>

26 Cash received from unearned income

The Company entered into agreements to guarantee the minimum rental and service income from sale of assets with no lessees that WHA Premium Growth Freehold and Leasehold Real Estate Trust will receive from the Company for a period of 1 to 25 years. The Company has calculated cash received from minimum unearned rental and service income at the present value of the discounted cash flows which it expects to pay to the trust as following movement:

	Consolidated and Company 2014 Baht
As at 1 January	-
Additions during the year	48,487,126
<u>Less</u> Payment during the year	<u>(1,779,925)</u>
As at 31 December	<u>46,707,201</u>

Cash received from unearned income as at 31 December 2014 comprise the following:

	Consolidated and Company 2014 Baht
Cash received from unearned income	
- within 12 months	13,394,417
- later than 12 months	33,312,784
Total	<u>46,707,201</u>

The movement of employee benefit obligations for the years ended 31 December 2014 and 2013 comprise the following:

	Consolidated and Company	
	2014 Baht	2013 Baht
Opening balance for the year	8,376,294	1,405,157
<u>Add</u> Current service cost and Actuarial losses	1,586,069	6,691,593
Interest cost	345,108	279,544
<u>Less</u> Repayment during the year	-	-
Closing balance for the year	10,307,471	8,376,294

During the year ended 31 December 2014, total charge of Baht 1,931,177 (2013: Baht 6,971,137) was included in administrative expense.

The principal actuarial assumptions used were as follows:

	Consolidated and Company	
	2014	2013
Discount rates	4.12%	4.12%
Future salary incremental rates	6.00%	6.00%
Staff turnover rates	0.00% - 8.00%	0.00% - 8.00%
Retirement age	60 years old	60 years old

28 Share capital and change of par value

	Registered shares	Issued and paid-up shares	Registered capital Baht	Issued and paid-up Baht	Share premium Baht
As at 1 January 2013	510,000,000	510,000,000	510,000,000	510,000,000	1,548,743,732
Issue of shares	407,999,491	407,992,494	407,999,491	407,992,494	-
Reducing unissued registered shares	(1,017)	-	(1,017)	-	-
As at 31 December 2013	917,998,474	917,992,494	917,998,474	917,992,494	1,548,743,732
Reducing unissued registered shares	(5,980)	-	(5,980)	-	-
Issue of shares during the period (Quarter 2)	45,899,625	45,899,275	45,899,625	45,899,275	-
As at 31 December 2014	963,892,119	963,891,769	963,892,119	963,891,769	1,548,743,732

For the period ended 31 December 2014

At the annual shareholders' meeting for the year 2014 held on 28 April 2014, the shareholders unanimously approved.

- A reduction in unissued registered shares of Baht 5,980 by reducing registered shares by 5,980 shares. These unissued registered shares were surplus from stock dividends declared at the Extraordinary General Meeting No. 1/2013. After reducing the registered shares, the Company will maintain issued registered shares and paid-up shares of Baht 917,992,494. The capital reduction was registered with the Ministry of Commerce on 29 April 2014.
- Additional Baht 45,899,625 increase in registered share capital at a par value of Baht 1 per share for 45,899,625 shares. This increase from Baht 917,992,494 (registered share capital after reducing the unissued registered shares of Baht 5,980) to Baht 963,892,119 to support the stock dividend payment to shareholders at the rate of Baht 0.05 per share. The capital increase was registered with the Ministry of Commerce on 30 April 2014.

29.1 Legal reserve

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Beginning balance	42,000,000	-	42,000,000	-
Additions during the year	48,000,000	42,000,000	48,000,000	42,000,000
Ending balance	90,000,000	42,000,000	90,000,000	42,000,000

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend. Legal reserve has to be approved by Annual General Meeting of Shareholders.

As at 31 December 2014 and 2013, consolidated unappropriated retained earnings includes legal reserve of a subsidiary of Baht 9,400,000.

29.2 Dividend payment

At the annual shareholders' meeting for the year 2014 held on 28 April 2014, the shareholders unanimously approved.

- Dividend payment from the net profit of 2013 of Baht 697,674,295 divided into cash dividend and stock dividend as follows:
 - Payment in form of ordinary shares in an amount not exceeding 45,899,625 shares at a par value of Baht 1 per share to the shareholders at the ratio of 20 existing shares to 1 dividend stock (the Company has a total of 917,992,494 existing shares) by increase the registered capital from Baht 917,992,494 (registered shares after reducing the unissued registered shares of Baht 5,980) to Baht 963,892,119 totalling of Baht 45,899,625 or Baht 0.05 per share. If any shareholder holds a remaining indivisible share after such allocation, a dividend of Baht 0.05 per share shall be paid in cash.
 - Payment in the form of cash dividend at the rate of Baht 0.71 per share (the Company has a total of 917,992,494 existing shares) or a total of Baht 651,774,670.

The payment of dividends under 1 and 2 shall be at the rate of Baht 0.76 per share, which is equivalent to an amount not exceeding Baht 697,674,295. The Company paid the stock dividend to the shareholders on 27 May 2014 with 45,899,275 shares at a par value of Baht 1 per share and paid the cash dividend to the shareholders in May 2014 amounting to Baht 651,774,336.

- An appropriation of net profit of Baht 48,000,000 as a legal reserve resulting in a total legal reserve of Baht 90,000,000, inclusive of the legal reserve set aside during the year 2013, which exceeds 5% of the Company's net profit for the year 2013.

30 Other components of equity

	Consolidated Baht	Company Baht
As at 31 December 2012	94,237,864	94,237,864
Revaluation of investment in available-for-sale	(100,390,105)	(101,200,703)
As at 31 December 2013	(6,152,241)	(6,962,839)
Revaluation of investment in available-for-sale	(562,487)	(97,952)
As at 31 December 2014	(6,714,728)	(7,060,791)

Other income for the years ended 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Dividend income from Warehouse Asia Alliance Company Limited (Note 37.1)	-	-	-	349,999,973
Dividend income from property fund	98,249,153	56,721,600	98,249,153	56,721,600
Management income from managing trust	33,099,818	-	-	-
Management income from property management	15,388,301	10,089,226	15,388,301	10,089,226
Management income from related companies	-	-	240,000	19,558,000
Management income from joint venture	4,107,486	230,000	4,107,486	-
Gain from sale of asset	100,034	-	100,034	-
Interest income	2,424,460	7,754,315	2,379,941	7,761,493
Gain from sale of short-term investment	8,911,432	4,214,109	5,892,311	3,870,459
Penalty income from default	2,259,153	1,570,159	2,259,153	1,570,159
Income from office building	1,232,880	-	1,232,880	-
Others	4,025,246	2,941,807	4,040,184	2,803,071
Total	169,797,963	83,521,216	133,889,443	452,373,981

32 Finance costs

Finance costs for the years ended 31 December 2014 and 2013 comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Bank borrowings	109,659,162	158,545,293	109,659,162	150,394,161
Debentures	181,568,941	23,402,708	181,568,941	23,402,708
Borrowing from subsidiaries (Note 37.1)	-	-	18,743,079	15,926,549
Finance lease agreements	499,968	525,201	499,968	525,201
Amortisation of bonds issue fee	2,196,240	394,313	2,196,240	394,313
Others	903,365	-	899,001	-
Total finance costs	294,827,676	182,867,515	313,566,391	190,642,932

33 Expenses by nature

The following expenditure items for the years ended 31 December 2014 and 2013, classified by nature, have been charged in profit before finance costs and income tax:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Salary and employee benefit expense	82,169,835	66,103,851	73,020,360	66,103,851
Depreciation				
- Investment properties (Note 15)	164,809,387	125,758,382	164,809,387	125,758,382
- Building improvement and equipment (Note 17)	11,836,493	6,548,864	11,781,531	6,541,135
Amortisation	2,408,005	5,724,119	2,396,457	5,724,119
Rental expense for land	14,151,224	19,120,489	14,103,301	18,206,063
Consulting expense	138,154,830	11,544,068	137,441,145	11,498,187

Reconciliation of income tax expenses for the year ended 31 December 2014 and 2013 comprises the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current income tax on taxable profit for the year	224,736,724	388,031,852	215,101,620	167,905,154
Origination and reversal of temporary differences (Note 22)	(683,247)	(139,170,189)	(683,247)	(3,845,458)
Total income tax expense	<u>224,053,477</u>	<u>248,861,663</u>	<u>214,418,373</u>	<u>164,059,696</u>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Profit before income tax expense	1,202,688,716	1,712,320,072	1,162,574,123	1,631,412,678
(Profit)/loss from promoted activities which exempt from payment of corporate income tax (100%)	7,120,529	(410,976,499)	7,120,529	(410,976,499)
Share of net (profit)/loss from investments - equity method	7,739,975	1,257,735	-	-
	1,217,529,220	1,302,601,308	1,169,694,652	1,220,436,179
Tax calculated at a tax rate of 20% (2013 : 20%)	243,505,844	260,520,262	233,938,930	244,087,236
Income not subject to tax	(19,649,831)	(13,832,416)	(19,649,831)	(81,938,362)
Expenses not deductible for tax purpose	1,098,403	2,173,817	1,098,377	1,910,822
Deductible expenses for tax purposes	(969,103)	-	(969,103)	-
Tax losses for which no deferred income tax asset was recognised	68,164	-	-	-
Income tax expense	<u>224,053,477</u>	<u>248,861,663</u>	<u>214,418,373</u>	<u>164,059,696</u>

35 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the company by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Company	
	2014	2013	2014	2013
Net profit attributable to ordinary shareholders of the company (Baht)	<u>978,615,239</u>	<u>1,463,458,409</u>	<u>948,155,751</u>	<u>1,467,352,982</u>
Weighted average number of ordinary shares outstanding (shares)	963,891,769	963,891,769	963,891,769	963,891,769
Basic earnings per share (Baht per share)	1.02	1.52	0.98	1.52

There are no potential dilutive ordinary shares in issue during the report date, so dilutive EPS figure is presented in equal to basic earnings per share.

The weighted average number of ordinary shares outstanding for the year ended 2013 calculated by included a stock dividend at the ratio of 20 existing shares to 1 dividend stock, which was unanimously approved at the annual shareholders' meeting for the year 2014 held on 28 April 2014 as registered with the Ministry of Commerce on 9 May 2014 (Note 29.2) to comply with the Thai Accounting Standard 33 Earnings per Share.

A financial instrument is any contract that gave rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

The Group has no policy to speculate or trade in off-balance sheet derivative financial instruments.

Outstanding balance of financial instruments that recorded in the statements of financial position as at 31 December 2014 and 2013 is as follows:

	Consolidated and Company			
	2014		2013	
	Assets Baht	Liabilities Baht	Assets Baht	Liabilities Baht
Derivative financial instruments				
Interest rate swaps	6,484,734	-	2,529,849	-

The Group entered into the interest rate swap contract in order to use it as a risk management instrument to manage on the fluctuation of future interest rate of Debenture (Note 21) by changing from fixed interest rate to floating interest rate under the interest rate swap contract. Under the interest rate swap contracts, the Group agreed to exchange the difference between fixed rate and floating rate which are calculated by reference to the agreed notional principal amounts.

Net fair values of derivative financial instruments

The net fair values of derivative financial instruments at the statement of financial position date and designated for cash flow hedges were:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Contracts with positive/(negative) fair values:				
Interest rate swaps	(25,396,993)	4,198,946	(25,396,993)	4,198,946

37 Related-parties transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

	Nature of relationship
Warehouse Asia Alliance Co., Ltd.	Subsidiary
WHA Alliance Co., Ltd.	Subsidiary
WHA Real Estate Management Co., Ltd.	Subsidiary
WHA Corporation (International) Co., Ltd.	Subsidiary
WHA Corporation (Hong Kong) Co., Ltd.	Subsidiary
S&J Holding Co., Ltd.	Related company which has common directors

Major shareholders of The Company are WHA Holding Co., Ltd. and the Anataprayoon Family in proportion of 62.88%. The remaining 37.12% of the shares are widely held.

The joint invested companies as mentioned in Note 14 are related companies with common directors and jointly held shares.

The following transactions were carried out with related parties:

37.1 Revenues and expenses

During the year ended 31 December 2014 and 2013, the Company had significant business transactions with subsidiaries and related companies, which can be summarised as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Warehouse Asia Alliance Co., Ltd.				
- Interest income	-	-	-	137,578
- Management fee	-	-	120,000	140,000
- Dividend income	-	-	-	349,999,973
- Interest expense	-	-	7,077,819	11,263,420
WHA Alliance Co., Ltd.				
- Management fee	-	-	120,000	360,000
- Project management fee	-	-	-	18,828,000
- Interest expense	-	-	11,665,260	4,663,129
WHA Real Estate Management Co., Ltd.				
- Income from disposal of assets	-	-	105,160	-
- Vehicle rental expense	-	-	163,200	-
S&J Holding Co., Ltd.				
- Office rental expense	8,254,924	8,042,406	8,024,844	8,042,406
- Vehicle rental expense	142,845	571,380	142,845	571,380
Joint ventures				
- Management fee	4,107,846	230,000	4,107,486	230,000
- Rooftop rental income	697,266	-	697,266	-
- Interest income	1,739,030	-	1,739,030	-

37.2 Outstanding balance and purchasing of vehicles

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
<u>Outstanding balance</u>				
Warehouse Asia Alliance Co., Ltd.				
- Accrued interest expense	-	-	18,341,239	11,263,420
WHA Alliance Co., Ltd.				
- Account receivable	-	-	-	19,688,628
- Accrued interest expense	-	-	10,281,151	120,521
WHA Corporation (International) Co., Ltd.				
- Advance payment	-	-	284,709	-
- Accounts payable for investment	-	-	331,132	-
WHA Corporation (Hong Kong) Co., Ltd.				
- Advance payment	-	-	56,110	-
- Accounts payable for investment	-	-	42,835	-
S&J Holding Co., Ltd.				
- Purchase of vehicles	2,345,651	-	2,345,651	-
Joint ventures				
- Interest receivable	162,222	-	162,222	-
- Advance payment	-	1,992,061	-	1,992,061
- Other receivables	-	230,000	-	230,000

37.3 Loan to related parties

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Beginning balance	-	-	-	74,394,004
Addition during the year	161,900,000	-	161,900,000	-
Deduction during the year	(149,000,000)	-	(149,000,000)	(74,394,004)
Ending balance	12,900,000	-	12,900,000	-

On 2 May 2014, the Company had unsecured loans to WHA Gunkul Green Solar Roof 1, 3, 6, and 17 Co., Ltd. (joint ventures) in the form of promissory note of Baht 28,000,000, Baht 35,700,000, Baht 35,700,000 and Baht 39,600,000, respectively with interest rate at 5.975% per annum. The total short-term borrowing to the related parties mentioned was Baht 139,000,000. As at 31 December 2014, the Company received a loan repayment from the joint ventures at the full amount.

On 19 May and 8 October 2014, the Company had unsecured loan to WHA KPN Alliance Co., Ltd. (joint venture) in the form of promissory note of Baht 10,000,000 and Baht 12,900,000, respectively with interest rate at 5.40% per annum.

37.4 Short-term borrowing from subsidiaries

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Beginning balance	-	-	554,000,000	214,225,000
Additions loans during the year	-	-	1,099,000,000	1,277,000,000
Loans repayment during the year	-	-	(655,000,000)	(937,225,000)
Ending balance	-	-	998,000,000	554,000,000

As at 31 December 2014, the Company had unsecured borrowing from its subsidiaries in the form of promissory note which is due at call amount of Baht 998,000,000 with interest rate at 1.85% per annum. (As at 31 December 2013, the Company had borrowing from its subsidiaries in term of promissory note of Baht 160,000,000 and Baht 394,000,000 with interest rate at 2.65% per annum and 2.55% per annum, respectively).

37.5 Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The compensation paid or payable to key management for employee services for the year ended 31 December 2014 and 2013 is shown below:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Salaries and other short-term employee benefits	41,435,993	36,509,239	39,176,193	36,509,239
Post-employment benefits	1,288,232	6,790,441	1,288,232	6,790,441
Total	42,724,225	43,299,680	40,464,425	43,299,680

37.6 Investments

Detail of investments in subsidiaries and investments in joint ventures are presented in Note 13 and 14.

38 Commitments

As at 31 December 2014 and 2013, the Group had commitments and contingent liabilities including contracts comprise the following:

38.1 Capital commitment at the statement of financial position date but not recognised in the financial statements is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Capital commitment				
- Land purchase agreement	17,871,000	-	17,871,000	-
- Warehouse construction agreement	1,398,990,511	433,726,984	1,398,990,511	433,726,984
Total capital commitment	<u>1,416,861,511</u>	<u>433,726,984</u>	<u>1,416,861,511</u>	<u>433,726,984</u>

38.2 Operating lease commitments - where the Group is the lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

The Group has leasehold rights for land under non-cancellable operating lease agreements. The lease terms are between 28 and 30 years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Not later than 1 year	5,528,220	17,030,340	5,528,220	16,280,340
Later than 1 year but not later than 5 years	23,373,746	71,551,489	23,373,746	68,251,489
Later than 5 years	192,740,895	552,237,496	192,740,895	531,537,496
	<u>221,642,861</u>	<u>640,819,325</u>	<u>221,642,861</u>	<u>616,069,325</u>

The Company has received the benefits from the Board of Investment of Thailand as follows:

BOI Certificated No.	Date of approval	Activities	Income first derived date	Privilege expired date	Significant privilege *					
					1	2	3	4	5	6
1822(2)/2553	15 July 2010	Building factories and warehouses	16 March 2011	15 March 2019	-	✓	✓	✓	✓	✓
2815(2)/2555	22 August 2012	Building factories and warehouses	1 September 2012	31 August 2019	✓	-	✓	-	-	-
1416(2)/2557	26 December 2013	Building factories and warehouses	1 October 2013	30 September 2020	✓	-	✓	-	-	-

* Significant privileges consist of:

- 1) Tax exemption on the profit that the Company gains (no more than 100% of the finance cost that is not included in land cost and working capital that have 7 years of useful life). If the Company has loss from the operation, BOI allows the Company to deduct the loss from the profit that might occur in another 5 years after BOI expiry date. In addition, the Company can also choose to deduct the loss in one year or multiple years combine.
- 2) Tax exemption on the profit that the Company gains (no more than 100% of the finance cost that is not included in land cost and working capital that have 8 years of useful life). If the Company has loss from the operation, BOI allows the Company to deduct the loss from the profit that might occur in another 5 years after BOI expiry date. In addition, the Company can also choose to deduct the loss in one year or multiple years combine.
- 3) The Group does not need to include dividend received from a BOI-promoted entity to calculate the income tax expense during the exemption period.
- 4) Tax deduction (50% of normal rate) on net profit within 5 years after the end of the right period as mentioned in 1 above.
- 5) Two times deduction on travel, electricity, and water supply cost within 10 years starting from the date that the Group receives its first profit from the operation.
- 6) Deduction on investment cost (25% of investment cost that is not included in the normal depreciation rate).

As a promoted company, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

Rental income and service income for promoted and non-promoted activities for the years ended 31 December 2014 and 2013 can be classified as follows:

	Company					
	2014 (Baht)			2013 (Baht)		
	Promoted activity	Non-promoted activity	Total	Promoted activity	Non-promoted activity	Total
Income from sales of investment properties	-	4,336,756,425	4,336,756,425	1,950,919,252	1,640,981,553	3,591,900,805
Rental and service income	59,320,581	498,387,536	557,708,117	73,102,709	392,506,499	465,609,208
Other income	2,352,238	131,537,205	133,889,443	2,113,666	450,260,315	452,373,981
	61,672,819	4,966,681,166	5,028,353,985	2,026,135,627	2,483,748,367	4,509,883,994

On 6 January 2015, WHA KPN Alliance Co., Ltd. called for additional paid-up capital from WHA Corporation of Baht 75 per share for 6,495 shares and Baht 50 per share for 4,983,503 shares, totalling Baht 249,662,275. The shareholding proportion of the Company remain the same as specified in Note 14.

At the extraordinary general shareholders' meeting No. 1/2015 held on 5 February 2015, the shareholders unanimously approved:

- The acquisition of shares in Hemaraj, which constitutes an asset acquisition transaction pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551: Rules on entering into material transactions deemed as an acquisition or disposal of assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand: Disclosure of information and other acts of listed companies concerning the acquisition or disposal of assets, 2014.
- The reduction of unissued registered shares by Baht 350, by reducing the registered shares by 350 shares. These unissued registered shares were the surplus from stock dividends declared at the annual shareholders' meeting for 2014. After reducing the registered shares, the Company will have issued registered shares and paid-up shares totalling Baht 963,891,769.
- An increase in registered share capital of Baht 467,341,464 at a par value of Baht 1 per share for 467,341,464 shares, from Baht 963,891,769 (the registered share capital after reducing the unissued registered shares by Baht 350) to Baht 1,431,233,233.
- The allocation of 350,506,098 newly issued ordinary shares of the Company, at a par value of Baht 1. The newly issued ordinary shares will be offered to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering), at a ratio of 2.75 existing shares to 1 new share, at Baht 25.50 per share. Any fractions resulting from the allocation shall be rounded down. The Company will allocate the shares remaining from the first allocation to shareholders who have expressed their intention to purchase shares in excess of their respective offers until the shares are exhausted or until there are no shareholders who have expressed an intention to purchase such shares. The Company will also allocate 116,835,366 newly issued ordinary shares, at a par value of Baht 1 per share, to accommodate the exercise of warrants to purchase newly-issued ordinary shares of the Company, which will be issued and offered to existing shareholders who subscribed for the newly-issued ordinary shares and paid a subscription fee for such shares at the exercise price of Baht 35 per share.
- The issuance and offering of 116,835,366 units of warrants to purchase newly-issued ordinary shares of the Company (WHA-W1) to existing shareholders who subscribed for the newly-issued ordinary shares and paid a subscription fee for such shares at the allocation rate of 1 unit of warrant per 3 subscribed and paid newly-issued ordinary shares. Any fraction resulting from the allocation shall be rounded down. In this regard, the offering price of the warrant is Baht 0 per unit. One unit of warrant is entitled to purchase one newly-issued ordinary share (except for the right adjustment) at an exercise price of Baht 35 per share. The offering date has been fixed to be 24, 25, 26, 27 February 2015 and 2 March 2015 (totalling, five business days).

The board of directors meeting No. 7/2014 on 18 December 2014 unanimously approved the establishment of a subsidiary in order to acquire shares in Hemaraj Land and Development Public Company Limited after obtaining approval from the shareholders' meeting of the Company No.1/2015 on 5 February 2015 to enter into the transaction to purchase shares in Hemaraj. The Company established a new subsidiary, WHA Ventures Holding Co., Ltd., and registered it with the Ministry of Commerce on 5 February 2015. The new subsidiary was established to invest in other company's shares. The subsidiary has 100,000 shares at a par value of Baht 100 per share, with a total registered share capital of Baht 10,000,000.

Auditor's Fee

The Company and its subsidiaries paid the two major fees to the auditors and the audit firm that the auditors work for as followed: Audit fee and non-audit fee

Audit Fee

In 2014, The Company and its subsidiaries paid the auditors and the audit firm, PricewaterhouseCoopers ABAS Ltd., amounted to Baht 2,791,000.

Non-Audit Fees

Apart from the audit fee, the Company paid the fees to PricewaterhouseCoopers ABAS Ltd. for the review of tax exemption privileges form submitted to the Board of Investment (BOI) in order to obtain benefit on the corporate income tax exemption for the fiscal year ended of December 31, 2014 at the amount of Baht 205,000.





WHA

Warehouse Asia

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